

**PUBLIC EDUCATION AND SPECIAL SCHOOLS SUBCOMMITTEE
RECOMMENDATIONS FOR FY 2016-17
TO THE PROVISO SUBCOMMITTEE**

SECTION 1 - H630 - DEPARTMENT OF EDUCATION

1.3 CONFORM TO FUNDING / AMEND (EFA Formula/Base Student Cost Inflation Factor) States the General Assembly's intent to fully implement the EFA including an inflation factor to match the inflation wages of public school employees in the southeast; states that for FY 15-16, the base student cost has been determined to be \$2,220; that the per pupil count is projected to be 714,394, and projects the average per pupil funding. Provides for the distribution of funds to the SC Public Charter School District. Requires the Revenue and Fiscal Affairs Office post each school district's projections on their website and for each school district to also post their numbers. Requires the department and the EOC provide links to this information on their websites. Provides pupil classification weightings.

SUBCOMMITTEE RECOMMENDATION: CONFORM TO FUNDING RECOMMENDATION / AMEND proviso to update the projections for FY 16-17 as follows: base student cost \$2,370; weighted pupil count, 723,953; average per pupil funding: \$5,827 state, \$1,245 federal, and \$5,542 local, for an average total funding level of \$14,210, excluding local bond issues. Add Dual Credit Enrollment of 0.15 to the pupil classification weightings. Require students enrolled for dual credit to be identified in PowerSchool as taking a course that leads to both high school and post-secondary credits. Require districts assist students in accessing applicable Lottery Tuition Assistance. Delete the requirement that students in poverty continue to be defined as students eligible for free/reduced lunch and/or Medicaid and instead direct that they be identified using the USDA community eligibility criteria and also include students eligible for Medicaid, children classified as Migrant and classified as Homeless. Direct the Revenue and Fiscal Affairs Office to also use this definition. Delete the requirement that the department continue to use 2013-14 school year counts to determine poverty funding for the add on weighting. Delete the reporting requirement on the effects of USDA community certification. Fiscal Impact: EFA increase; EFA fringe increase; projected base student cost out to districts. Requested by Department of Education.

1.3. (SDE: EFA Formula/Base Student Cost Inflation Factor) To the extent possible within available funds, it is the intent of the General Assembly to provide for one hundred percent of full implementation of the Education Finance Act to include an inflation factor projected by the Revenue and Fiscal Affairs Office to match inflation wages of public school employees in the Southeast. The base student cost for the current fiscal year has been determined to be ~~\$2,220~~ \$2,370. For the current fiscal year, the ~~total~~ *weighted* pupil count is projected to be ~~714,394~~ 723,953. The average per pupil funding is projected to be ~~\$5,536~~ \$5,827 state, ~~\$1,185~~ \$1,245 federal, and ~~\$5,374~~ \$5,542 local. This is an average total funding level of ~~\$12,092~~ \$14,210 excluding revenues of local bond issues. For the current fiscal year the South Carolina Public Charter School District and any institution of higher education sponsoring a public charter school shall receive and distribute state EFA funds to the charter school as determined by one hundred percent of the current year's base student cost, as funded by the General Assembly multiplied by the weighted students pupils enrolled in the charter school, which must be subject to adjustment for student attendance.

The Revenue and Fiscal Affairs Office, must post in a prominent place on their website for each school district projections, including the per pupil state, federal and local revenues, excluding revenues of local bond issues, for the current fiscal year. Also, as soon as practicable, upon determining the exact numbers regarding pupil count and funding, the Revenue and Fiscal Affairs Office, shall also post on their website the one hundred thirty-five day average daily membership for each school district and per pupil state, federal and local revenues, excluding revenues of local bond issues,

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based on the most recent audited financial statement as reported annually pursuant to Section 59-17-100. The Department of Education and the Education Oversight Committee shall provide in a prominent place on their internet websites a link to the information posted by the Revenue and Fiscal Affairs Office, including the projected numbers and the exact numbers.

For the current fiscal year, the pupil classification weightings are as follows:

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|--|-------------|
| (1) K-12 pupils or base students including homebound students | 1.00 |
| Students served in licensed residential treatment facilities (RTFs) for children and adolescents as defined under Section 44-7-130 of the 1976 Code shall receive a weighting of 2.10. | |
| (2) Weights for students with disabilities as prescribed in Section 59-20-40(1)(c) Special Programs | |
| (3) Precareer and Career Technology | 1.29 |
| (4) Additional weights for personalized instruction: | |
| (A) Gifted and Talented | 0.15 |
| (B) Academic Assistance | 0.15 |
| (C) Limited English Proficiency | 0.20 |
| (D) Pupils in Poverty | 0.20 |
| <u>(E) Dual Credit Enrollment</u> | <u>0.15</u> |

No local match is required for the additional weightings for personalized instruction in school year ~~2015-16~~ 2016-17. Charter school per pupil calculations for locally sponsored charters will continue to be calculated according to Section 59-40-140 of the 1976 Code. Students may receive multiple weights for personalized instruction; however, within each weight, students should only be counted once. These weights are defined below:

Gifted and talented students are students who are classified as academically or artistically gifted and talented or who are enrolled in Advanced Placement (AP) and International Baccalaureate (IB) courses in high school. Districts shall set-aside twelve percent of the funds for serving artistically gifted and talented students in grades three through twelve.

Students in need of academic assistance are students who do not meet state standards in mathematics, English language arts, or both on state approved assessments in grades three through eight and high school assessments for grades nine through twelve. The additional weight generates funds needed to provide additional instructional services to these students.

Students with limited English proficiency are students who require intensive English language instruction programs and whose families require specialized parental involvement intervention.

Students identified for dual credit enrollment must be identified in PowerSchool as taking a course that will lead to both high school credit and post-secondary credit. Districts must assist students in accessing Lottery Tuition Assistance when applicable.

~~For the 2015-16 current school year, students in poverty will continue to be defined as students eligible for free/reduced lunch and/or Medicaid be identified using the USDA community eligibility criteria and will also include students eligible for Medicaid, children classified as Migrant, and children classified as Homeless. This definition shall also be used by the Revenue and Fiscal Affairs Office. The Department of Education will continue to use counts from the 2013-14 school year to determine poverty funding for the add-on weighting. The department shall report on the effects USDA community certification have had on the ability for individual districts to report their poverty rate no later than October 1, 2015, and shall provide recommendations on using poverty data from the United States Census Bureau to calculate a district's poverty allocation in lieu of direct certification to the Governor, the Chairman of the Senate Finance Committee, and the Chairman of the House Ways and Means Committee.~~

Further, the Department of Education may use school district student counts for personalized instruction as collected in the same manner as the prior fiscal year, PowerSchool or other available existing data sources as determined by the department to calculate the school district

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add on weightings for the personalized instruction classifications and the determination of the school districts monetary entitlement. End of year adjustments shall be based on the one hundred thirty-five day student average daily membership for all classifications. During the current fiscal year the department will update PowerSchool calculations, reports, screen development, documentation, and training to incorporate the new pupil classification weightings and to make final district allocation adjustments by June 30, ~~2016~~ 2017. The department must provide districts with technical assistance with regard to student count changes in PowerSchool.

- 1.18** **DELETE** (School Building Aid) Directs that \$500,000 of School Building Aid funds be allocated on a K-12 per pupil basis to Multi-District Area Vocational Schools.
SUBCOMMITTEE RECOMMENDATION: DELETE proviso. *The line no longer exists.*
Fiscal Impact: None. Requested by Department of Education.

~~1.18. (SDE: School Building Aid) Of the funds appropriated in Part IA for School Building Aid, \$500,000 shall be allocated on a K-12 per pupil basis to Multi-District Area Vocational Schools.~~

- 1.25** **DELETE** (School Facilities Management System) Authorizes school districts to use capital improvement bonds, lapsed funds, or other unexpended appropriated funds or revenues to access the department’s School Facilities Management System database.
SUBCOMMITTEE RECOMMENDATION: DELETE proviso. *After additional evaluation of cost considerations, the database was not implemented.* Fiscal Impact: None. Requested by Department of Education.

~~1.25. (SDE: School Facilities Management System) School Districts may use capital improvement bond funds, lapsed funds or any other unexpended appropriated funds or revenues to access the Department of Education’s School Facilities Management System database.~~

- 1.39** **AMEND** (Lost & Damaged ~~Textbook~~ Instructional Materials Fees) Provides a timeframe for lost and damaged textbooks fees to be remitted to the department and allows the department to withhold textbook funding from schools if the fees have not been paid by the deadline.
SUBCOMMITTEE RECOMMENDATION: AMEND proviso to change “textbook” reference to “instructional materials.” Fiscal Impact: None. Requested by Department of Education.

~~1.39. (SDE: Lost & Damaged Textbook Instructional Materials Fees) Fees for lost and damaged textbooks instructional materials for the prior school year are due no later than December first of the current school year when invoiced by the Department of Education. The department may withhold textbooks instructional materials funding from schools that have not paid their fees by the payment deadline.~~

- 1.42** **AMEND** (Residential Treatment Facilities Student Enrollment and Funding) Establishes guidelines for educational, financial and accountability of students between responsible licensed residential treatment facilities, school districts, parents, and the department.
SUBCOMMITTEE RECOMMENDATION: AMEND proviso to direct that if a South Carolina child is placed in an out-of-state RTF, the student’s home district shall ensure a free and appropriate education by taking steps may that include contracting with the RTF to deliver the educational services. Require that the educational services comply with all state and federal educational laws. Require the student’s home district to keep the student enrolled in order to receive the base student cost funding at a weighting of 2.10.

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1.42. (SDE: Residential Treatment Facilities Student Enrollment and Funding) Each South Carolina resident of lawful school age residing in licensed residential treatment facilities (RTFs) for children and adolescents as defined under Section 44-7-130 of the 1976 Code, (“students”) shall be entitled to receive educational services from the school district in which the RTF is located (“facility school district”). The responsibility for providing appropriate educational programs and services for these students, both with and without disabilities, who are referred, authorized, or placed by the State is vested in the facility school districts. For purposes of this proviso, an authorization must be pursuant to a physician’s determination of medical necessity. If clinically appropriate, the facility school district, the RTF, and the parent or guardian of a student referred or placed in a RTF may consider the appropriateness of providing the student’s education program virtually through enrollment in either the facility district’s virtual program, the South Carolina virtual school program provided through the Department of Education (Virtual SC), or a virtual charter school authorized by the South Carolina Public Charter School District, or a virtual charter school authorized by an approved institute of higher education. This decision should be made jointly with the best interest of the student and what is clinically indicated being considered.

A facility school district must provide the necessary educational programs and services directly to the student at the RTF’s facility, provided that the RTF facility provides and maintains comparable adequate space for the educational programs and services consistent with all federal and state least restrictive environment requirements. Adequate space shall include appropriate electrical support and Internet accessibility. Unless the parent or legal guardian of the student seeks to continue the student’s enrollment in the resident school district under a medical homebound instruction program and the district approves, if appropriate, then, under these circumstances, the facility school district shall enroll the student and assume full legal and financial responsibility for the educational services including enrolling the student, approving the student’s entry into a medical homebound instructional program, if appropriate, and receiving and expending funds, unless the resident school district undertakes to carry out its educational responsibilities for the student directly. Alternatively, a facility school district may choose to provide the necessary educational programs and services by contracting with the RTF provided that the RTF agrees to provide educational services to the student at the RTF’s facility. Under these circumstances, the facility school district must enroll the student and pay the RTF for the educational services provided. If the facility school district determines the educational program being offered by the RTF does not meet the educational standards outlines in the contract, the facility district shall be justified in terminating the contract.

The facility school districts are entitled to receive the base student cost multiplied by the Education Finance Act pupil weighting for Homebound pupils of 2.10, as set forth in Section 59-20-40 of the 1976 Code and any eligible categorical and federal funds. These funds may be retained by the facility school districts for the purpose of providing the educational programs and services directly to students referred or placed by the State or the facility school districts may use these funds to reimburse RTFs for the educational programs and services provided directly by the RTFs. A facility school district is entitled to reimbursement from a resident school district for the difference between (1) the reasonable costs expended for the educational services provided directly by the facility school district or the amount paid to the RTF and (2) the aggregate amount of federal and state funding received by the facility school district for that student. However, the reimbursement rate may not exceed \$45 per student per day. Facility school districts providing the educational services shall notify the resident district in writing within forty-five calendar days that a student from the resident district is receiving educational services pursuant to the provisions of the proviso. Reimbursements shall be paid within sixty days of billing, provided the facility district has provided a copy of the invoice to both the District Superintendent and the finance office of the resident district being invoiced. Should the facility

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school district be unable to reach agreement with the resident school district regarding reasonable costs differences, the facility school district shall notify the Department of Education's Office of General Counsel. The Department of Education shall facilitate a resolution of the dispute between the facility school district and the resident school district within forty-five days of the notice of dispute. If the issue of reasonable cost differences should remain unresolved, a facility school district shall have the right to file a complaint in a Circuit Court. Should a resident school district fail to distribute the entitled funding to the facility school district by the one hundred thirty-five day count, the Department of Education is authorized to withhold the equivalent amount of EFA funds and transfer those funds to the facility school district.

If a child from South Carolina is placed in a RTF that is located out-of-state, the student's home district shall ensure a free and appropriate education including such provisions as contracting with the RTF to deliver the educational services. Such educational services provided must comply with all state and federal educational laws. The student's home district must keep the student enrolled in order to receive the base student cost funding at a weighting of 2.10.

If a child from out of state is placed in a RTF by an out-of-state school district or agency, the child's home state remains responsible for the educational services. The facility school district may choose to provide the educational program to the child and, upon choosing to do so, shall contract with the appropriate entity for payment of educational services provided to the child. Out-of-state students provided educational services by a facility school district shall not be eligible for funding through the Education Finance Act.

If a child is placed in a RTF by the child's parent or guardian and is not referred, authorized, or placed by the State, the facility school district may choose to provide the educational program to the child, and upon doing so, must negotiate with the resident school district for services through medical homebound procedures. A facility school district is responsible for compliance with all child find requirements under Section 504 of the Rehabilitation Act of 1973 and Individuals with Disabilities Act of 2004 (IDEA).

All students enrolled in the facility school districts shall have access to the facility school districts' general education curriculum, which will be tied to the South Carolina academic standards in the core content areas. All students with disabilities who are eligible for special education and related services under the Individuals with IDEA, as amended, and the State Board of Education (SBE) regulations, as amended, shall receive special education and related services in the least restrictive environment by appropriately certified personnel. Students in an RTF will at all times be eligible to receive the educational credits (e.g., Carnegie Units) earned through their educational efforts.

With respect to students enrolled in the facility school districts, for accountability purposes, the assessment and accountability measures for students residing in RTFs shall be attributed to a specific school only if the child physically attends the school. The performance of students residing in a RTF who receive their educational program on site at the RTF must be reflected on a separate line on the facility school district's report card and must not be included in the overall performance ratings of the facility school district. The Department of Education shall examine the feasibility of issuing report cards for RTFs. For the current fiscal year, a facility school district shall not have the district's state accreditation rating negatively impacted by deficiencies related to the delivery of an educational program at a RTF.

RTFs shall notify the facility school district as soon as practical, and before admission to the RTF if practical, of a student's admission to the RTF. RTFs, the facility school districts and the Department of Education shall use their best efforts to secure and/or exchange information, including documents and records necessary to provide appropriate educational services and/or related services as necessary to assist the facility school district in determining the resident school district. The Department of Education, in collaboration with state placing agencies, RTFs, facility school districts, and resident school districts, shall implement a system to follow the

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release of students from a RTF and re-enrollment in public, private, or special schools to ensure these students, when appropriate, are not recorded as dropouts.

- 1.49 DELETE** (Governor’s Schools Capacity) Directs the Governor’s Schools for Arts and Humanities and Science and Math to use their funds to bring their respective schools up to full capacity, to the extent possible, and to report electronically by December 1st on how the funds have been used and how many additional students have been served.
SUBCOMMITTEE RECOMMENDATION: DELETE proviso. *The school has been at or near full capacity since 2013 and plans to remain so in the future.* Requested by Governor’s School for the Arts and the Humanities and Governor’s School for Science and Mathematics.

~~1.49. (SDE: Governor’s Schools Capacity) For the current fiscal year, funds appropriated to the Governor’s School for the Arts and Humanities and the Governor’s School for Science and Mathematics must be used to bring the schools up to full capacity, to the extent possible. Each school must report electronically to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee by December first how the funds have been utilized and how many additional students have been served.~~

- 1.50 AMEND** (Student Health and Fitness) Provides for the allocation of Student Health and Fitness funds to school districts by ADM for Physical Education teachers and through a grant program for school nurses.
SUBCOMMITTEE RECOMMENDATION: AMEND proviso to allow funds for school nurses to be distributed to school districts directly rather than through a grant process. *To simplify the process funds will be sent directly on a per pupil basis, not through a grant process.* Fiscal Impact: None. Requested by Department of Education.

~~1.50. (SDE: Student Health and Fitness) Funds appropriated for Student Health and Fitness shall be allocated to school districts to increase the number of physical education teachers to the extent possible and to provide licensed nurses for elementary public schools. Twenty-seven percent of the funds shall be allocated to the districts based on average daily membership of grades K-5 from the preceding year for physical education teachers. The remaining funds will be made available through a grant program for school nurses and shall be distributed to the school districts on a per school basis. Schools that provide instruction in grades K-5 are eligible to apply for the school nurse grant program funds.~~

- 1.53 AMEND** (Health Education) Requires school districts to ensure compliance with Chapter 32 of Title 59 [COMPREHENSIVE HEALTH EDUCATION PROGRAM]; outlines a complaint process for concerns; and requires the district have its base student cost reduced by 1% if corrective action is not taken on any founded complaint.
SUBCOMMITTEE RECOMMENDATION: AMEND proviso to require each school district to publish on its website the title and publisher of all health education materials it used in the classroom. Delete the requirement that a district’s base student cost be reduced by 1% if a complaint is determined to be founded and corrective action is not taken and instead establish a 30 day process for investigation, determination, and corrective action to be taken. Direct that if the department determines the district did not take appropriate immediate action to correct a violation, 1% of the district’s Student Health and Fitness Act funds shall be withheld until the district is in compliance. *Combines proviso 1.83 into this proviso since both direct district compliance with Chapter 32 of Title 59.* Fiscal Impact: None. Requested by Department of Education.

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1.53. (SDE: Health Education) Each school district is required to ensure that all comprehensive health education, reproductive health education, and family life education conducted within the district, whether by school district employees or a private entity, must utilize curriculum that complies with the provisions contained in Chapter 32, Title 59. Each district shall publish on its website the title and publisher of all health education materials it has approved, adopted, and used in the classroom. Any person may complain in a signed, notarized writing to the chairman of the governing board of a school district that matter not in compliance with the requirements of Chapter 32, Title 59 is being taught in the district. Upon receiving a notarized complaint, the chairman of the governing board must ensure that the complaint is immediately investigated and, if the complaint is determined to be founded, that immediate action is taken to correct the violation. If corrective action is not taken, ~~then the district must have its base student cost reduced by one percent within 30 days of such a determination, or if no investigation is made within 30 days of the chairman's receipt of the notarized statement, then the complainant may within 30 calendar day, give written notice to the department. The notice must include the original notarized complaint. If, upon investigation, the department determines that the district has not taken appropriate immediate action to correct a violation, then the Department of Education shall withhold one percent of the district's funds allocated in Part IA, Section 1, X - Student Health and Fitness Act until the department determines the district is in compliance.~~

1.55 **DELETE** (Felton Lab Allocation) Requires that the Felton Laboratory at SC State receive 70% of the EFA funds it would have received under the EFA and under aid to school districts fringe benefits as if it were a special school district. Directs the department to calculate the funds Felton Lab is entitled to receive each year.

SUBCOMMITTEE RECOMMENDATION: DELETE proviso. *Felton Lab is going to be run through the Public Charter School District.*

~~**1.55.** (SDE: Felton Lab Allocation) Of the funds distributed pursuant to the Education Finance Act, the Felton Laboratory School at South Carolina State University shall receive each year, seventy percent of the funds it would have received for that year under the Education Finance Act and under aid to school districts fringe benefits, as if it were a special school district. The calculation of the amount of funds which the Felton Laboratory School is entitled to receive each year shall be made by the Department of Education.~~

1.65 **AMEND** (Governor's Schools Informational Access to Students) Requires school districts to permit both Governor's Schools to work with individual schools and their staff in order to share information with students and families about educational opportunities offered at the Governor's Schools. Requires the Governor's Schools to report to the Chairmen of the Senate Finance and House Ways and Means Committees by June 30, 2015, on results of these efforts. Directs the Governor's Schools to work with districts, the department, and School Report Card administrators to ensure the SAT scores of the school's students are included in the students' resident district School Report Card.

SUBCOMMITTEE RECOMMENDATION: AMEND proviso to update report due date to June 30, 2016.

1.65. (SDE: Governor's Schools Informational Access to Students) For the current fiscal year, school districts must permit both the Governor's School for the Arts and Humanities and the Governor's School for Science and Mathematics to collaborate with individual schools and their staff to share information with students and families about the educational opportunities offered at the respective Governor's Schools, through avenues including school visits,

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informational presentations, and posters. By June 30, ~~2015~~ 2016, the Governor's School for the Arts and Humanities and the Governor's School for Science and Mathematics must report to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee the results of these Informational Access efforts. Further, the two Governor's Schools will work with districts, the Department of Education and School Report Card administrators, to ensure that SAT scores of current Governor's Schools' students are included in the School Report Card of those students' resident schools and districts.

1.66 **AMEND** (~~Reading~~ Literacy Coaches) Provides for the allocation of funds appropriated for Reading Coaches to school districts.

SUBCOMMITTEE RECOMMENDATION: AMEND proviso to change "reading coaches" to "literacy coaches" and change "Not Met" to "below proficient." Clarify the duties associated with literacy coaches. Direct that unspent or unallocated literacy coach funds be used to fund Summer Reading Camps and require the department report the amount of funds used for this purpose. *Note: Companion proviso 1A.66 in EIA Education Section.*

1.66.(SDE: ~~Reading~~ Literacy Coaches) (A) Funds appropriated for ~~Reading~~ Literacy Coaches must be allocated to school districts by the Department of Education as follows:

(1) for each elementary school in which twenty percent or more of the students scored ~~Not Met~~ below proficient on the reading and research test in the most recent year for which such data are available, the school district shall be eligible to receive the lesser of either up to \$62,730 or the actual cost of salary and benefits for a full-time ~~reading~~ literacy coach; and

(2) for each elementary school in which fewer than twenty percent of the students scored ~~Not Met~~ below proficient on the reading and research test during the same period, the school district shall be eligible to receive the lesser of either up to \$31,365 or fifty percent of the actual cost of salary and benefits for a full-time ~~reading~~ literacy coach. A school district must provide local support for state funds provided under this paragraph. School districts may use existing local funds currently used for reading assistance as the local support.

(B) By accepting these funds, a school district warrants that they will not be used to supplant existing school district expenditures, except for districts that either are currently, or in the prior fiscal year, were paying for ~~reading coaches~~ literacy coaches with local funds. A district may, however, assign a ~~reading~~ literacy coach to a primary school rather than to the elementary school to improve the early literacy skills of young children.

(C) Funds appropriated for ~~Reading Coaches~~ Literacy coaches are intended to be used to provide elementary schools with ~~reading~~ literacy coaches, who shall serve as job-embedded, stable resources for professional ~~development~~ learning opportunities throughout schools in order to generate improvement in reading and literacy instruction and student achievement. ~~Reading coaches~~ Literacy coaches shall support and provide initial and ongoing professional ~~development~~ learning opportunities to teachers based on an analysis of ~~student assessment and data~~, the provision of differentiated instruction, and intensive ~~intervention~~ interventions. ~~The reading coach shall~~ Schools and districts accepting funding to support a coaching position agree to the following:

(1) Literacy coaches shall model effective instructional strategies for teachers ~~by working weekly with students in whole, and small groups, or individually;~~

(2) Literacy coaches shall facilitate ~~study groups~~ professional learning opportunities for educators and leadership teams through work with students in demonstration lessons by modeling instructional strategies;

(3) Literacy coaches shall train teachers in data analysis and using data to ~~differentiated~~ differentiate instruction;

(4) Literacy coaches shall ~~coaching and mentoring~~ coach and mentor colleagues;

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(5) Literacy coaches shall work with teachers to ensure that ~~research~~ evidence-based reading ~~programs~~ strategies are implemented with fidelity;

(6) ~~work with all teachers (including content area and elective areas) at the school they serve, and help prioritize time for those teachers, activities, and roles~~ Literacy coaches shall coordinate literacy and instructional strategies across the school that will have the greatest impact on student achievement, ~~namely coaching and mentoring in the classrooms at both the school and district level;~~

(7) Literacy coaches shall help lead and support reading literacy leadership teams; ~~and,~~
(8)

(D) The ~~reading~~ literacy coach must not be assigned a regular classroom teaching assignment, must not serve ~~an~~ as an administrator, must not perform administrative functions that deter from the flow of improving reading instruction and reading performance of students, and must not devote a significant portion of his or her time to administering or coordinating assessments. School districts may utilize literacy coaches as interventionists as included in the district reading plan and when supported by assessment data showing the district reading plan is improving literacy.

(E) ~~No later than February 1, 2016, the~~ The Department of Education must publish guidelines that define the minimum qualifications for a reading literacy coach for ~~Fiscal Year 2015-16~~. These guidelines must deem any licensed/certified teacher qualified if, at a minimum, he or she:

(1) holds a bachelor's degree or higher and an add-on endorsement for literacy coach or literacy specialist; ~~;~~ or

(2) holds a bachelor's degree or higher and is actively pursuing the literacy coach or literacy specialist endorsement; or

(3) holds a master's degree or higher in reading or a closely-related field.

Within these guidelines, the Department of Education must ~~also establish a process for Fiscal Year 2015-16 through which an elementary school may be permitted to use some or all of the allocation granted under subsection (A) in order to obtain in-school reading coaching services from a department approved consultant or vendor,~~ assist districts in identifying a literacy coach in the event that the school is not successful in identifying and directly employing a qualified candidate. The provisions of subsection (A), including the local support requirements, shall also apply to any allocations made pursuant to this paragraph.

(F) The Department of Education must develop procedures for monitoring the use of funds appropriated for ~~Reading Coaches~~ literacy coaches to ensure they are applied to their intended uses and are not redirected for other purposes. The Department of Education may receive up to \$100,000 of the funds appropriated for ~~Reading Coaches~~ literacy coaches in order to implement this program, provided that this allocation does not exceed the department's actual costs.

(G) Prior to the close of the current fiscal year, any ~~remaining unspent or unallocated~~ funds for ~~Reading Coaches,~~ literacy coaches ~~but no more than \$5,000,000,~~ shall be distributed by the Department of Education among the school districts containing elementary or primary schools that were eligible for and which elected to receive funding under subsection (A)(1) of this proviso; these funds shall be distributed in proportion to these districts' relative shares of students who scored Not Met on the research and reading test in the most recent year for which such data are available used to fund Summer Reading. Funds distributed under this subsection must be used exclusively to support reading-related professional development opportunities for teachers that lead to the literacy add-on endorsement.

(H) The Department of Education shall require:

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(1) any school district receiving funding under subsection (A) to identify the name and qualifications of the supported ~~reading~~ literacy coach; as well as the school in which the coach is assigned ~~along with the rationale for how the school selection was made~~; and

(2) any school district receiving funding under subsection (~~F~~ G) to account for the specific amounts and uses of such funds.

(~~H~~ I) With the data reported by the school districts, the department shall report by January fifteenth of the current fiscal year on the hiring of and assignment of ~~reading~~ literacy coaches by school ~~and on the expenditure of professional development funds for opportunities for teachers to earn the literacy endorsement~~. The department shall also report the amount of funds that will be ~~carried forward~~ used for Summer Reading Camps.

(~~I~~ J) Funds appropriated for ~~Reading Coaches~~ literacy coaches shall be retained and carried forward to be used for the same purpose but may not be flexed.

(~~J~~ K) For Fiscal Year ~~2015-16~~ 2016-17, if increased funding for ~~reading~~ literacy coaches is not sufficient to provide additional ~~reading~~ literacy coaches at each elementary school then the funding must be targeted to the areas of greatest need based on the number of students substantially failing to demonstrate reading proficiency as indicated on the prior year's state assessment.

- 1.67** **AMEND** (Charter School Transition Funds) Provides for the distribution of transitions funds to charter schools sponsored by a local school district
SUBCOMMITTEE RECOMMENDATION: AMEND proviso to update fiscal year reference to "2016-17."

1.67. (SDE: Charter School Transition Funds) For Fiscal Year ~~2015-16~~ 2016-17, charter schools sponsored by a local school district must receive transition funds from the local district or statewide transition funds available in an amount equal to any reduction in funds received by the school due to the changes in the Education Finance Act formula. In order to receive funds from the statewide transition funds, the charter school must report the amount of funds required to the department through the authorizing district. The department shall allocate the transition funds to the district which then shall allocate the funds to the school. If the amount of transition funds for the charter schools exceeds transition funds available, then funds will be reduced pro rata for all parties.

- 1.73** **DELETE** (Transition Funds to Districts) Provides for the distribution of EFA Transition Payments funds to eligible school districts.
SUBCOMMITTEE RECOMMENDATION: DELETE proviso. *No funds are being requested for FY 2016-17 as the changes were implemented in FY 2014-15.* Fiscal Impact: None. Requested by Department of Education.

1.73. (SDE: Transition Funds to Districts) ~~Funds appropriated in Part IA, Section 1, X. Aid to School Districts, A. Aid to School Districts, EFA Transition Payments, are to be distributed to school districts eligible to receive transition funds. The funds will be disbursed in an amount equal to the net aggregate decrease in funding realized by a district as a result of changes to the EFA funding formula.~~

(A) ~~Districts eligible for transition payments in the prior fiscal year are eligible to receive one half of the transition payment received in Fiscal Year 2014-15, subject to the limitations of item (B) of this section.~~

(B) ~~School districts are not eligible to receive transition funds for the portion of a net funding decrease resulting from a decrease in district ADM from the prior to the current fiscal year.~~

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~~(C) If the amount of transition payments for all school districts exceeds the availability of funds appropriated for this purpose, each entity receiving funds shall have their allocation reduced pro rata.~~

- 1.74** **AMEND** (First Steps 4K Technology) Authorizes First Steps to spend up to \$75,000 of 4K carry forward funds to purchase electronic devices, with certain restrictions, for administering early literacy and language development assessments to children enrolled in the full-day 4K program in private centers. Requires First Steps to provide a report on these expenditures to the Chairmen of the Senate Finance and Ways and Means Committees by January 15, 2016.
SUBCOMMITTEE RECOMMENDATION: AMEND proviso to delete reference to “early literacy and language development” and instead reference “required school readiness” assessments. Update calendar year report due date to 2017. *Broadens the definition of assessments to be consistent with upcoming planned changes.* Fiscal Impact: First Steps states no fiscal impact since the monies are from carry forward funds. Requested by First Steps to School Readiness.

1.74. (SDE: First Steps 4K Technology) During the current fiscal year, South Carolina Office of First Steps to School Readiness is authorized to expend up to \$75,000 from the four-year-old kindergarten carry forward funds to purchase electronic devices for the administration of ~~early literacy and language development~~ *required school readiness* assessments to children enrolled in the full-day 4K program in private centers in the current fiscal year. The State Office of First Steps may purchase one device, which would be the property of the Office of First Steps, for every ten centers serving children in the program. The regional coordinators who provide support to the centers shall coordinate the usage of the devices among the centers. First Steps shall provide a report documenting its technology and materials expenditures to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee no later than January 15, ~~2016~~ 2017.

- 1.75** **AMEND** (Teacher Salary Schedule Structure) Directs the department to convene certain stakeholders to examine and make recommendations on changes to the statewide minimum state teacher salary schedule and include extending steps, the beginning teacher salary and each district’s salary schedule structure in the examination. Directs recommendations be provided to the Chairmen of the Senate Finance and House Ways and Means Committees by November 15, 2015.
SUBCOMMITTEE RECOMMENDATION: AMEND proviso to direct the department include salary needs information from each of the districts that are or were in the original trial and plaintiff school districts in the Abbeville law suit. Delete the due by date for recommendations. *Allows work to continue.* Fiscal Impact: None. Requested by Department of Education.

1.75. (SDE: Teacher Salary Schedule Structure) The Department of Education shall convene stakeholders to include: Palmetto State Teachers Association, South Carolina School Business Officials, South Carolina Association of School Administrators, South Carolina School Boards Association, South Carolina Education Association, and the Education Oversight Committee to examine and make recommendations regarding changes to the statewide minimum state teacher salary schedule to include extending the steps on the state teacher salary schedule; an examination of the beginning teacher salary; and an examination of each district’s salary schedule structure. *The department shall also include information from each of the districts who are, or were, the original trial and plaintiff school districts in the Abbeville law suit regarding salary needs in those districts* Recommendations shall be provided to the Chairman of the Senate

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Finance Committee and the Chairman of the House Ways and Means Committee by November 15, 2015.

- 1.78 DELETE** (Transition Funds to Districts) Requires the department transfer unexpended EFA Transition funds to the EFA for disbursement to districts per the formula.
SUBCOMMITTEE RECOMMENDATION: DELETE proviso. *No funds are being requested for FY 16-17 as the changes were implemented in FY 2014-15.* Fiscal Impact: None. Requested by Department of Education.

~~1.78. (SDE: Transition Funds to Districts) For the current fiscal year, the department must transfer any unexpended funds appropriated for EFA Transition to the EFA for disbursement to districts per the formula.~~

- 1.79 AMEND** (CDEPP Unexpended Funds) Provides for the retention and expenditure of prior year CDEPP funds by First Steps and requires a report to the Chairmen of the Senate Finance and House Ways and Means Committees on how the funds were spent.
SUBCOMMITTEE RECOMMENDATION: AMEND proviso to update fiscal and calendar year references to “2016-17” and “2017;” permit rather than direct First Steps to retain the first \$2,000,000 of unexpended prior year CDEPP funds; direct that if by August 15th eligible school districts opt to not to participate in the program, the department is authorized to use those unexpended funds to increase participation on a per pupil basis for eligible districts with a documented waiting list; and require the per pupil allocation conform with the amounts appropriated. Delete the requirement that First Steps allocate \$4,250,000 for full-day 4K to SDE and \$2,000,000 for Community Block Grants for Education Pilot Program to the EOC from any unexpended prior year CDEPP funds transferred to the restricted account for those purposes; and that remaining funds be transferred to SDE for full day 4K. *Allows First Steps to use up to \$2,000,000 of any carry forward during the fiscal year for the same purpose and allow carry forward funds to remain in the program for that purpose. The specified allocations have been distributed and that portion of the proviso is no longer needed.* Fiscal Impact: No impact on the general fund since these are carry forward funds only. Requested by First Steps to School Readiness. *Note: Companion proviso 1A.71 in EIA Section.*

~~1.79. (SDE: CDEPP Unexpended Funds) For Fiscal Year 2015-16 2016-17, the Office of First Steps to School Readiness is directed~~ permitted to retain the first \$2,000,000 of any unexpended CDEPP funds ~~from~~ of the prior fiscal year and expend these funds to enhance the quality of the full-day 4K program in private centers and provide professional development opportunities. *If by August 15th, school districts eligible to receive full-day 4K funding opt to not participate in the program, the Department of Education is authorized to utilize unexpended funds to increase participation on a per pupil basis for districts eligible for participation who have a documented waiting list. The per pupil allocation must conform with the appropriated amount contained in this Act.* No later than April 1, ~~2016~~ 2017, the Office of First Steps must report to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee on the expenditure of these funds to include the following information: the amount of money used and specific steps and measures taken to enhance the quality of the 4K program and the amount of money used for professional development as well as the types of professional development offered and the number of participants.

~~By August 1, the Office of First Steps is directed to allocate any unexpended CDEPP funds from the prior fiscal year and any CDEPP funds carried forward from prior fiscal years that were transferred to the restricted account for the purposes:~~

- ~~1. Department of Education —\$4,250,000 for full day 4K; and~~

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~~2. Education Oversight Committee — \$2,000,000 for the South Carolina Community Block Grants for Education Pilot Program.~~

~~If carry forward funds are less than the amounts appropriated, funding for the items listed herein shall be reduced on a pro rata basis.~~

~~If any funds are remaining, they shall be transferred to the Department of Education to be expended only on full day 4K.~~

- 1.80** **DELETE** (Literacy Initiatives) Directs the department to evaluate the state literacy initiatives to ensure they are working together to ensure students are best served. Directs that the evaluation include early childhood through high school and professional development initiatives.
SUBCOMMITTEE RECOMMENDATION: DELETE proviso. *Completed.*

~~1.80. (SDE: Literacy Initiatives) In the current fiscal year, the Department of Education shall evaluate the several state literacy initiatives to ensure that each are working together to ensure that students are best served. The evaluation shall include initiatives in early childhood through high school as well as professional development.~~

- 1.82** **AMEND** (First Steps Accountability) Requires First Steps to meet federal compliance for Part C of the IDEA and to report to the Chairmen of the Senate Finance and House Ways and Means Committees and the Governor on the specific steps, timeline, and progress made in improving meeting compliance standards for indicators the office was scored as being low performing and on whether the additional employees authorized by this act are sufficient for compliance. Requires the report be submitted by 12/31/15. Authorizes funds appropriated for BabyNet to be used by First Steps to meet these requirements.
SUBCOMMITTEE RECOMMENDATION: AMEND proviso to update report due date to December 31, “2016.”

~~1.82. (SDE: First Steps Accountability) Based on the need for stated intervention by the US Department of Education Office of Special Education and Rehabilitative Services (OSEP) in implementing Part C of the Individuals with Disabilities Education Act (IDEA), the Office of First Steps to School Readiness must meet federal compliance for the Part C program. Additionally, the Office of First Steps to School Readiness shall report to the Chairman of the Senate Finance Committee, the Chairman of the House Ways and Means Committee, and the Governor the specific steps, timeline and progress made in improving meeting compliance standards its performance for those indicators with which the office was scored as being low performing. The report must include a statement regarding whether the additional employees authorized by this act are sufficient for compliance. The report shall also include any correspondence from the US Department of Education concerning the progress made on federal compliance with OSEP state standards. The report must be submitted no later than December 31, 2015 2016. From the funds appropriated for BabyNet, the Office of First Steps to School Readiness may expend the funds necessary to meet the requirements of this proviso.~~

- 1.83** **DELETE** (Health Education Materials) Requires each school districts to publish on its website the title and publisher of all health education materials it used in the classroom. Requires the department withhold 1% of the district’s Student Health and Fitness Act funds if the district is found to be noncompliant with mandated health education until the district is in compliance.
SUBCOMMITTEE RECOMMENDATION: DELETE proviso. *Combine this proviso into proviso 1.53 since both direct district compliance with Chapter 32 of Title 59. Fiscal Impact: None. Requested by Department of Education.*

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~~1.83. (SDE: Health Education Materials) From the funds allocated to each school district, each district shall publish on its website the title and publisher of all health education materials it has approved, adopted, and used in the classroom. If the Department of Education determines that a school district is noncompliant with mandated health education, the department shall withhold one percent of the district's funds allocated in Part 1A, Section 1, X. Student Health and Fitness Act until the department determines the district is in compliance.~~

1.86 **AMEND** (Educational Credit for Exceptional Needs Children) Provides for scholarship funding organizations and individual tax credits for the amount a person contributes for an exceptional needs child within specific parameters.

SUBCOMMITTEE RECOMMENDATION: AMEND proviso to update fiscal year references to 2016-17. Allow schools that participated in the program in the prior fiscal year to have until December 30 to reapply and allow a school that did not participate in the prior fiscal year to apply at any time during the fiscal year. Direct the EOC to maintain on its website a list of schools that are approved to participate in the program and to update the list when additional schools are approved for eligibility.

1.86. (SDE: Educational Credit for Exceptional Needs Children) (A) As used in this proviso:

(1) "Eligible school" means an independent school including those religious in nature, other than a public school, at which the compulsory attendance requirements of Section 59-65-10 may be met, that:

- (a) offers a general education to primary or secondary school students;
- (b) does not discriminate on the basis of race, color, or national origin;
- (c) is located in this State;
- (d) has an educational curriculum that includes courses set forth in the state's

diploma requirements and where the students attending are administered national achievement or state standardized tests, or both, at progressive grade levels to determine student progress;

- (e) has school facilities that are subject to applicable federal, state, and local laws;

and

(f) is a member in good standing of the Southern Association of Colleges and Schools, the South Carolina Association of Christian Schools, or the South Carolina Independent Schools Association.

(2) "Exceptional needs child" means a child:

(a) (i) who has been evaluated in accordance with this state's evaluation criteria, as set forth in S.C. Code Ann. Regs. 43-243.1, and determined eligible as a child with a disability who needs special education and related services, in accordance with the requirements of Section 300.8 of the Individuals with Disabilities Education Act; or

(ii) who has been diagnosed within the last three years by a licensed speech-language pathologist, psychiatrist, or medical, mental health, psychoeducational, or other comparable licensed health care provider as having a neurodevelopmental disorder, a substantial sensory or physical impairment such as deaf, blind, or orthopedic disability, or some other disability or acute or chronic condition that significantly impedes the student's ability to learn and succeed in school without specialized instructional and associated supports and services tailored to the child's unique needs; and

(b) the child's parents or legal guardian believes that the services provided by the school district of legal residence do not sufficiently meet the needs of the child.

(3) "Independent school" means a school, other than a public school, at which the compulsory attendance requirements of Section 59-65-10 may be met and that does not discriminate based on the grounds of race, color, religion, or national origin.

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- (4) “Nonprofit scholarship funding organization” means a charitable organization that:
- (a) is exempt from federal tax pursuant to Section 501(a) of the Internal Revenue Code by being listed as an exempt organization in Section 501(c)(3) of the code;
 - (b) allocates, after its first year of operation, at least ninety-seven percent of its annual contributions and gross revenue received during a particular year to provide grants for tuition to children enrolled in an eligible school meeting the criteria of this proviso, and incurs administrative expenses annually, after its first year of operation, of not more than three percent nor more than \$200,000 in the aggregate, whichever is less, of its annual contributions and revenue for a particular year to cover operational costs;
 - (c) allocates all of its funds used for grants on an annual basis to children who are exceptional needs students;
 - (d) does not provide grants solely for the benefit of one school, and if the department determines that the nonprofit scholarship funding organization is providing grants to one particular school, the tax credit allowed by this proviso may be disallowed;
 - (e) does not have as a volunteer, contractor, consultant, fundraiser or member of its governing board any parent, legal guardian, or member of their immediate family who has a child or ward who is currently receiving or has received a scholarship grant authorized by this proviso from the organization within one year of the date the parent, legal guardian, or member of their immediate family became a board member;
 - (f) does not have as a member of its governing board or an employee, volunteer, contractor, consultant, or fundraiser who has been convicted of a felony;
 - (g) does not release personally identifiable information pertaining to students or donors or use information collected about donors, students or schools for financial gain; and
 - (h) must not place conditions on schools enrolling students receiving scholarships to limit the ability of the schools to enroll students accepting grants from other nonprofit scholarship funding organizations.
- (5) “Parent” means the natural or adoptive parent or legal guardian of a child.
- (6) “Person” means an individual, partnership, corporation, or other similar entity.
- (7) “Qualifying student” means a student who is an exceptional needs child, a South Carolina resident, and who is eligible to be enrolled in a South Carolina secondary or elementary public school at the kindergarten or later year level for the applicable school year.
- (8) “Resident public school district” means the public school district in which a student resides.
- (9) “Transportation” means transportation to and from school only.
- (10) “Tuition” means the total amount of money charged for the cost of a qualifying student to attend an independent school including, but not limited to, fees for attending the school, textbook fees, and school-related transportation.
- (11) “Department” means the Department of Revenue.
- (B) (1) A person is entitled to a tax credit against income taxes imposed pursuant to Chapter 6, Title 12, or bank taxes imposed pursuant to Chapter 11, Title 12 for the amount of cash and the monetary value of any publicly traded securities the person contributes to a nonprofit scholarship funding organization up to the limits of this proviso if:
- (a) the contribution is used to provide grants for tuition to exceptional needs children enrolled in eligible schools who qualify for these grants under the provisions of this proviso; and
 - (b) the person does not designate a specific child or school as the beneficiary of the contribution.
- (2) An individual is entitled to a refundable tax credit against income taxes imposed pursuant to Chapter 6, Title 12, or bank taxes imposed pursuant to Chapter 11, Title 12 for the amount of cash and the monetary value of any publicly traded securities, not exceeding ten

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thousand dollars per child, the individual contributes as tuition for exceptional needs children within their custody or care and enrolled in eligible schools who qualify for these grants under the provisions of this proviso. The cumulative maximum total for credits authorized by this subitem may not exceed four million dollars. However, if a child within the care and custody of an individual receives a tuition scholarship from a nonprofit scholarship funding organization, then the individual only may claim a credit equal to the difference of ten thousand dollars or the cost of tuition, whichever is lower, and the amount of the scholarship.

(C) Grants may be awarded by a scholarship funding organization in an amount not exceeding ten thousand dollars or the total cost of tuition, whichever is less, for qualifying students with exceptional needs to attend an independent school. Before awarding any grant, a scholarship funding organization must receive written documentation from the parent documenting that the qualifying student is an exceptional needs child. Upon approving the application, the scholarship funding organization must issue a check to the eligible school in the name of the qualifying student. In the event that the qualifying student leaves or withdraws from the school for any reason before the end of the semester or school year and does not reenroll within thirty days, then the eligible school must return a prorated amount of the grant to the scholarship funding organization based on the number of days the qualifying student was enrolled in the school during the semester or school year within sixty days of the qualifying student's departure.

(D)(1) (a) The tax credits authorized by subsection (B) may not exceed cumulatively a total of twelve million dollars for contributions made on behalf of exceptional needs students. If the department determines that the total of such credits claimed by all taxpayers exceeds either limit amount, it shall allow credits only up to those amounts on a first come, first served basis.

(b) The department shall establish an application process to determine the amount of credit available to be claimed. The receipt of the application by the department shall determine priority for the credit. Subject to the provisions of item (5), contributions must be made on or before June 30, 2016, in order to claim the credit. The credit must be claimed on the return for the tax year that the contribution is made.

(2) A taxpayer may not claim more than sixty percent of their total tax liability for the year in contribution toward the tax credit authorized by subsection (B)(1). This credit is not refundable.

(3) If a taxpayer deducts the amount of the contribution on the taxpayer's federal return and claims the credit allowed by this proviso, then the taxpayer must add back the amount of the deduction for purposes of South Carolina income taxes.

(4) The department shall prescribe the form and manner of proof required to obtain the credit authorized by subsection (B). Also, the department shall develop a method of informing taxpayers if the credit limit is met at any time during Fiscal Year ~~2015-16~~ 2016-17.

(5) A person only may claim a credit pursuant to subsection (B) for contributions made between July 1, ~~2015~~ 2016, and June 30, ~~2016~~ 2017.

(E) A corporation or entity entitled to a credit under subsection (B) may not convey, assign, or transfer the credit authorized by this proviso to another entity unless all of the assets of the entity are conveyed, assigned, or transferred in the same transaction.

(F) Except as otherwise provided, neither the Department of Education, the Department of Revenue, nor any other state agency may regulate the educational program of an independent school that accepts students receiving scholarship grants pursuant to this proviso.

(G) (1) ~~By August 1, 2015, each independent school must apply to the Education Oversight Committee to be considered an eligible institution for which it may receive contributions from a nonprofit scholarship funding organization for which the tax credit allowed by this proviso is allowed.~~ The Education Oversight Committee, as established in Chapter 6, Title 59, is responsible for determining annually if an eligible school meets the criteria established by

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subsection (A)(1), and shall ~~publish an approved list of such schools meeting the criteria~~ *maintain on its website a list of schools approved for participation in the program. Any school that participated in the program in the prior fiscal year and complied with the requirements of the program would have until December 30 of the current fiscal year to reapply for participation in the program and in the meantime would continue to be an eligible institution unless the school notifies the committee in writing of its decision not to participate in the program. Furthermore, any school that did not participate in the program in the prior fiscal year may apply for participation in the program at any time in the current fiscal year.* If an independent school does not apply to be an eligible school, the independent school may not be published as an approved school, and contributions to that school shall not be allowed for purposes of the credit allowed by this proviso. The Education Oversight Committee must publish the approved list of schools on its website by September first of each year, *shall update the list upon the approval of additional eligible schools,* and the list must include their names, addresses, telephone numbers, and, if available, website addresses. Also, the score reports and audits received by the Education Oversight Committee pursuant to items (2)(b) and (c) must be published with the list. The Education Oversight Committee shall summarize or redact the score reports if necessary to prevent the disclosure of personally identifiable information. For this purpose, it also shall promulgate regulations further enumerating the specifics of this criteria. In performing this function, the Education Oversight Committee shall establish an advisory committee made up of not more than nine members, including parents, and representatives of independent schools and independent school associations. The advisory committee shall provide recommendations to the Education Oversight Committee on the content of these regulations and any other matters requested by the Education Oversight Committee.

(2) An independent school's application for consideration as an eligible institution must contain:

(a) the number and total amount of grants received from each nonprofit scholarship funding organization in the preceding fiscal year;

(b) student test scores, by category, on national achievement or state standardized tests, or both, for all grades tested and administered by the school receiving or entitled to receive scholarship grants pursuant to this proviso in the previous fiscal year;

(c) a copy of a compilation, review, or compliance audit of the organization's financial statements, conducted by a certified public accounting firm; and

(d) a certification by the independent school that it meets the definition of an eligible school as that term is defined in subsection (A)(1) and that the report is true, accurate, and complete under penalty of perjury in accordance with Section 16-9-10.

(3) Any independent school not determined to be an eligible school pursuant to the provisions of this proviso may seek review by filing a request for a contested case hearing with the Administrative Law Court in accordance with the court's rules of procedure.

(4) The Education Oversight Committee, after consultation with its nine-member advisory committee, may exempt an independent school having students with exceptional needs who receive scholarship grants pursuant to this proviso from the curriculum requirements of subsection (A)(1)(d).

(H) (1) By August first of each year, each nonprofit scholarship funding organization must apply to the department to be considered an eligible organization for which its contributors are allowed the tax credit allowed by this proviso. If a nonprofit scholarship funding organization does not apply, the organization may not be published as an approved organization, and contributions to that organization shall not be allowed for purposes of the credit allowed by this proviso. A nonprofit scholarship funding organization's application must contain:

(a) the number and total amount of grants issued to eligible schools in the preceding fiscal year;

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(b) for each grant issued to an eligible school in the preceding fiscal year, the identity of the school and the amount of the grant;

(c) an itemization and detailed explanation of any fees or other revenues obtained from or on behalf of any eligible schools;

(d) a copy of the organization's Form 990 or other comparable federal submission that indicates the provisions of the Internal Revenue Code under which the organization has been granted exempt status for purposes of federal taxation;

(e) a copy of a compilation, review, or audit of the organization's financial statements, conducted by a certified public accounting firm;

(f) the criteria and eligibility requirements for scholarship awards; and

(g) a certification by the organization that it meets the definition of a nonprofit scholarship funding organization as that term is defined in subsection (A)(4) and that the report is true, accurate, and complete under penalty of perjury in accordance with Section 16-9-10.

(2) By receiving the application materials and approving the organization as an eligible organization pursuant to item (1), the department is not determining that the organization meets all of the requirements of a qualified nonprofit scholarship funding organization and the organization remains subject to examination as provided for pursuant to subsection (I).

(3) The department has authority to disclose the names of qualifying nonprofit scholarship funding organizations to the Education Oversight Committee. The department also may disclose to the Education Oversight Committee the names of organizations that applied but were not qualified by the department and those organizations whose eligibility has been revoked in accordance with subsection (I)(2), as well as the reason the application of the organization was not accepted or the reason its qualification was revoked.

(4) By September first of each year, the Education Oversight Committee must publish on its website a list of all qualifying nonprofit scholarship funding organizations, provided by the department, to include their names, addresses, telephone numbers, and, if available, website addresses. Also, the results of the audit required by item (1)(e) must be published with the list.

(I) (1) The department has authority to oversee, audit, and examine the nonprofit scholarship funding organizations, including determining whether the nonprofit scholarship funding organization is being operated in a manner consistent with the requirements for an IRC Section 501(c)(3) organization or is in compliance with any other provision of this proviso.

(2) (a) If at any time during the year, the department has evidence, through audit or otherwise, that a nonprofit scholarship funding organization is not being operated in a manner consistent with the requirements for operating an IRC Section 501(c)(3) organization or is not in compliance with any other provision of this proviso, the department immediately may revoke the organization's participation in the program and must notify the organization and the Education Oversight Committee in writing of the revocation.

(b) Notice of revocation may be provided to the organization by personal delivery to the organization, by first class mail to the last known address of the organization, or by other means reasonably designed to provide notice to the organization.

(c) Any donations made following the date the notice of revocation is received by the organization or in the case of delivery by mail ten days after the notice of revocation was mailed, will not qualify for the credit and the donated funds must be returned to the donor by the organization. This proviso shall not limit the department's authority to deny any tax credit or other benefit provided by this proviso if the circumstances warrant.

(d) (i) Within thirty days after the day on which the organization is notified of the revocation, the organization may request a contested hearing before the Administrative Law Court. Within thirty days after a request for a contested case hearing is received by the Administrative Law Court, an administrative law judge shall hold the contested case hearing and determine whether the revocation was reasonable under the circumstances. The department has

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the burden of proof of showing that the revocation was reasonable under the circumstances. The revocation is “reasonable” if the department has some credible evidence to believe that the organization is not being operated in a manner consistent with the requirements for operating an IRC Section 501(c)(3) organization or is not in compliance with any other provision of this proviso. The decision made by the administrative law judge is final and conclusive and may not be reviewed by any court. If the organization does not request a contested case hearing within thirty days of the immediate revocation, the revocation shall become permanent.

(ii) If the administrative law judge determines that the revocation was reasonable, the administrative law judge shall remand the case to the department to issue a department determination for permanent revocation within the time period determined by the judge. The organization may appeal this department determination in accordance with Section 12-60-460. At the contested case hearing on the department determination, the parties can raise new issues and arguments in addition to those issues and arguments previously presented at the revocation hearing.

(iii) If the administrative law judge determines that immediate revocation is not reasonable, the revocation shall be lifted and the organization may resume accepting donations and award scholarships hereunder. The department may still issue a department determination in accordance with Section 12-60-450(E)(2).

(iv) If at any time during the process, the department believes the organization is in compliance, the department, in its sole discretion, may reinstate the organization and notify the Education Oversight Committee.

(v) Following the permanent revocation of a nonprofit scholarship funding organization, the Education Oversight Committee has the authority to oversee the transfer of donated funds of the revoked organization to other nonprofit scholarship funding organizations.

(J) A nonprofit scholarship funding organization may transfer funds to another nonprofit scholarship funding organization, especially in the event that the organization cannot distribute the funds in a timely manner or if the organization ceases to exist. None of the funds that are transferred by one nonprofit scholarship funding organization to another may be considered by the former organization when calculating its administrative expenses.

1.mov **ADD** (Moving Cost Study) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to direct the department to submit a report on the costs associated with moving the department out of the Rutledge building to the Chairmen of the Senate Finance and House Ways and Means Committees and to the Department of Administration by September 1, 2016.

1.mov. (SDE: Moving Cost Study) The department shall report to the Chairman of the Senate Finance Committee, the Chairman of the House Ways and Means Committee, and the Department of Administration no later than September 1, 2016, on the costs associated with relocating the Department of Education from the Rutledge building to a different location.

1.tta **ADD** (Technology Technical Assistance) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to require the department to use Technology Technical Assistance funds to increase the capacity of the original trial and plaintiff school districts in the Abbeville law suit. Direct that the funds be used to assist school districts to procure appropriate technology devices and infrastructure in accordance with technology review team recommendations in order to begin to build the capacity to offer online testing and increased access.

1.tta. (SDE: Technology Technical Assistance) Funds appropriated to the Department of Education for Technology Technical Assistance must be used to increase the capacity of districts who are or were the original trial and plaintiff school districts in the Abbeville law suit. Funds

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shall be used by the department to assist school districts in procuring appropriate technology to include devices and infrastructure in accordance with the recommendations made by the technology review team to begin to build capacity to offer online testing and increased access.

- 1.ita** **ADD** (South Carolina IT Academy) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to direct the department to procure an IT Academy for public schools statewide and direct that the academy offer certification opportunities for educators to receive Teacher Certification Exams and for middle school students to receive certification in an office suite of products and for high school students to receive programming credentials.

1.ita. (SDE: South Carolina IT Academy) Of the funds appropriated for the South Carolina IT Academy, the Department of Education shall procure an IT Academy for public schools statewide in the coming school year. The IT Academy must offer certification opportunities for educators to receive Teacher Certification Exams and for students to receive certifications in an office suite of products in the middle grades and programming credentials in high school. The procurement shall include official curriculum, e-learning, E-books, exams, software and lesson plans.

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- 1A.2** **AMEND** (African-American History) Authorizes African-American History curricula funds to be carried forward and directs the expenditure of these funds.
SUBCOMMITTEE RECOMMENDATION: AMEND proviso to direct that funds that are currently a salary line item be reallocated for development of instructional materials and programs and implementation of professional learning opportunities that promote African-American history and culture. Amend the directive that the department expend 70% of the funds through a “competitive bids” process and instead direct that the funds be expended through a “grant” process. Delete the priority requirement. Fiscal Impact: None. Requested by Department of Education.

1A.2. (SDE-EIA: African-American History) Funds provided for the development of the African-American History curricula may be carried forward into the current fiscal year. Funds that are currently a salary line item will be reallocated for the development of instructional materials and programs and the implementation of professional learning opportunities that promote African American history and culture. For Fiscal Year ~~2014-15~~ 2016-17 not less than seventy percent of the funds carried forwarded must be expended for the development of additional instructional materials by nonprofit organizations selected through a ~~competitive bids grant~~ process by the Department of Education. ~~Priority must be given to organizations that have already produced materials that are currently being used by schools and outreach programs that reflect African American culture and history and that support literacy efforts.~~

- 1A.4** **AMEND** (Teacher Salaries/State Agencies) Provides for the distribution of Alloc. EIA - Teacher/Other Pay to adjust teacher pay based on the local school district where the agency is located for instructional personnel employed by a state agency not containing a school district. Directs that the salary adjustment will be distributed by the Executive Budget Office.
SUBCOMMITTEE RECOMMENDATION: AMEND proviso to direct that affected agencies receive an appropriation as recommended by the EOC rather than an allocation from the specific line item. Delete the requirement that the EBO distribute the line item funds and

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instead direct that teacher salary increases recommended by the EOC and funded in this Act be incorporated into each agency's EIA appropriations contained in Section 1, VIII.E.

1A.4. (SDE-EIA: Teacher Salaries/State Agencies) Each state agency which does not contain a school district but has instructional personnel shall receive an ~~allocation from the line item "Alloc. EIA Teacher/Other Pay" in Part IA, Section 1, VIII.E.~~ appropriation as recommended by the Education Oversight Committee for teacher salaries based on the following formula: Each state agency shall receive such funds as are necessary to adjust the pay of all instructional personnel to the appropriate salary provided by the salary schedules of the school district in which the agency is located. Instructional personnel may include all positions which would be eligible for EIA supplements in a public school district, and may at the discretion of the state agency, be defined to cover curriculum development specialists, educational testing psychologists, psychological and guidance counselors, and principals. The twelve-month agricultural teachers located at Clemson University are to be included in this allocation of funds for base salary increases. The South Carolina Governor's School for the Arts and Humanities and the South Carolina Governor's School for Science and Mathematics are authorized to increase the salaries of instructional personnel by an amount equal to the percentage increase given by the School District in which they are both located.

~~The funds appropriated herein in the line item "Alloc. EIA Teacher/Other Pay" must be distributed to the agencies by the Executive Budget Office. Teacher salary increases recommended by the Education Oversight Committee and funded in this Act shall be incorporated into each agency's EIA appropriation contained in Section 1, VIII.E.~~

1A.9 **AMEND** (Teacher Supplies) Provides guidelines for distributing teacher supply reimbursement of up to \$275 each school year to offset the expenses they have incurred for teaching supplies and materials. Allows any classroom teacher, including those at a S.C. private schools that are not eligible for this reimbursement to claim a refundable income tax credit on their 2015 tax return.

SUBCOMMITTEE RECOMMENDATION: AMEND proviso to add "non-certified" public school teachers and "career specialist" to those individuals eligible to receive the reimbursement and to also allow those eligible individuals employed by a "publically funded full day 4K classroom." Update tax return reference to "2016." Fiscal Impact: None. Requested by Department of Education.

1A.9. (SDE-EIA: Teacher Supplies) All certified and non-certified public school teachers, certified special school classroom teachers, certified media specialists, ~~and~~ certified guidance counselors, and career specialists who are employed by a school district, ~~or~~ a charter school, or a publically funded full day 4K classroom, as of November thirtieth of the current fiscal year, based on the public decision of the school board may receive reimbursement of ~~up to~~ two hundred seventy-five dollars each school year to offset expenses incurred by them for teaching supplies and materials. Funds shall be disbursed by the department to School districts by July fifteenth based on the last reconciled Professional Certified Staff (PCS) listing from the previous year. With remaining funds for this program, any deviation in the PCS and actual teacher count will be reconciled by December thirty-first or as soon as practicable thereafter. Based on the public decision of the school district these funds shall be disbursed in a manner separate and distinct from their payroll check on the first day teachers, by contract, are required to be in attendance at school for the current contract year. This reimbursement shall not be considered by the state as taxable income. Special schools include the Governor's School for Science and Math, the Governor's School for the Arts and Humanities, Wil Lou Gray Opportunity School, John de la Howe School, School for the Deaf and the Blind, Felton Lab, Department of Juvenile Justice,

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and Palmetto Unified School District. Funds distributed to school districts or allocated to schools must not supplant existing supply money paid to teachers from other sources. If a school district requires receipts for tax purposes the receipts may not be required before December thirty-first. Districts that do not wish to require receipts may have teachers retain the receipts and certify for the district they have received the allocation for purchase of teaching supplies and/or materials and that they have purchased or will purchase supplies and/or materials during the fiscal year for the amount of the allocation. Districts shall not have an audit exception related to non-retention of receipts in any instances where a similar instrument is utilized. Any district requiring receipts must notify any teacher from whom receipts have not been submitted between November twenty-fifth and December sixth that receipts must be submitted to the district. Districts may not add any additional requirement not listed herein related to this reimbursement.

Any classroom teacher, including a classroom teacher at a South Carolina private school, that is not eligible for the reimbursement allowed by this provision, may claim a refundable income tax credit on the teacher's ~~2015~~ 2016 tax return, provided that the return or any amended return claiming the credit is filed prior to the end of the fiscal year. The credit is equal to two hundred seventy-five dollars, or the amount the teacher expends on teacher supplies and materials, whichever is less. If any expenditures eligible for a credit are made after December thirty-first, the teacher may include the expenditures on his initial return or may file an amended ~~2015~~ 2016 return claiming the credit, so long as the return or amended return is filed in this fiscal year. The Department of Revenue may require whatever proof it deems necessary to implement the credit provided by this part of this provision.

1A.12 AMEND (Technical Assistance) Provides guidelines for the distribution of funds appropriated for technical assistance to schools with an absolute rating of below average or at-risk on the most recent annual school report card.

SUBCOMMITTEE RECOMMENDATION: AMEND proviso to direct that the funds be used to provide "intensive support" to those schools and districts as well as those with the lowest percentages of students meeting state standards on state assessments on the most recent state assessments or with the lowest high school graduation rates. Direct the department to create a system of tiers of technical assistance for low-performing schools and districts and require schools and districts to be placed within the tiered framework by December 15. Provide for low-performing schools to receive diagnostic reviews. Require the department to monitor progress on implementation of amended plans and report their findings to the local legislative delegation and the Governor. Direct that technical assistance funds must be used for implementation and delivery of technical assistance to schools identified as low-performing and to support priority schools under the tiered system. Authorize the State Superintendent of Education to declare a state of emergency in a school district under specific criteria and provide for the management of the district. Delete prior funding methodology for schools with approved school renewal plans.

1A.12. (SDE-EIA: Technical Assistance) In order to best meet the needs of underperforming schools, funds appropriated for technical assistance *must be used to provide intensive support* to schools *and districts* with an absolute rating of below average or at-risk on the most recent annual school report card *or with the lowest percentages of students meeting state standards on state assessments on the most recent state assessments or with the lowest high school graduation rates* ~~must be allocated according to the severity of not meeting report card criteria.~~ *The department will create a system of tiers of technical assistance for low-performing schools and districts that will receive technical assistance. The tiers will be determined by factors that include, but are not limited to, length of time performance of the school or district has been at-risk/below average, annual achievement ratings, annual growth ratings, school or district accreditation, and/or financial risk status. The tiers of technical assistance may include a per*

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student allocation, placement of a principal mentor, transformation coach, instructional leader, replacement of the principal, reconstitution of a school, and declaration of a state of emergency. Low-performing schools and districts shall be placed within the tiered technical assistance framework not later than December 15.

~~Schools receiving an absolute rating of below average or at risk~~ Low-performing schools shall receive a diagnostic review through the department. In addition, newly identified low-performing schools and districts must be reviewed by an External Review Team in the year of designation, and every third year thereafter. Based upon the recommendations in the review(s), low-performing schools and districts must develop and submit to the Department of Education a an updated school renewal or district strategic plan outlining goals for improvements. The amended plans must address specific strategies designed to increase student achievement and must include measures to evaluate the success of implementation of the plan. ~~Of the technical assistance funds allocated to below average or at risk schools each allocation must address specific strategies designed to increase student achievement and must include measures to evaluate success. The school renewal plan may include expenditures for recruitment incentives for faculty and staff, performance incentives for faculty and staff, assistance with curriculum and test score analysis, professional development activities based on curriculum and test score analysis that may include daily stipends if delivered on days outside of required contract days. School expenditures of technical assistance shall be monitored by the Department of Education.~~

~~With the funds appropriated to the Department of Education, and any experts placed in the school or district for technical assistance services, the department will assist low-performing schools and districts with an absolute rating of below average or at risk in designing and implementing technical assistance school renewal the strategies and measurement identified in the amended plans and in brokering for technical assistance personnel as needed and as stipulated in the plan. In addition, the department must monitor student academic achievement and progress on implementation the expenditure of technical assistance funds in schools receiving these funds and report their findings to the General Assembly and the Education Oversight Committee by January first of each fiscal year as the General Assembly may direct local legislative delegation, and the Governor in the fall following the school or district designation as low-performing. If the Education Oversight Committee or the department requests information from schools or school districts regarding the expenditure of technical assistance funds pursuant to evaluations, the school or school district must provide the evaluation information necessary to determine effective use. If the school or school district does not provide the evaluation information necessary to determine effective use, the principal of the school or the district superintendent may be subject to receiving a public reprimand by the State Board of Education if it is determined that those individuals are responsible for the failure to provide the required information.~~

~~No more than five percent of the total amount appropriated for technical assistance services to schools with an absolute rating of below average or at risk may be retained and expended Funds must be used by the department for implementation and delivery of technical assistance services. Using previous report card data and monitoring reports on the status of implementation of the school renewal plan, the department shall identify priority schools. Up to \$6,000,000 of the total funds Funds appropriated for technical assistance shall be used by the department to work with those schools identified as low-performing and to support priority schools under the tiered system. These funds shall not be transferred to any other funding category by the school district without prior approval of the State Superintendent of Education.~~

~~The department will create a system of levels of technical assistance for schools that will receive technical assistance funds. The levels will be determined by the severity of not meeting report card criteria. The levels of technical assistance may include a per student allocation, placement of a principal mentor, replacement of the principal, and/or reconstitution of a school.~~

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Reconstitution means the redesign or reorganization of the school, which ~~includes~~ *may include* the declaration that all positions in the school are considered vacant. Certified staff currently employed in priority schools must undergo ~~a formal~~ *an* evaluation in the spring following the school's identification as a priority school and must meet determined goals to be rehired and continue their employment at that school. ~~Student achievement will be considered as a significant factor when determining whether to rehire existing staff.~~ Educators who were employed at a school that is being reconstituted prior to ~~the effective date of this proviso~~ *July 2009* and to whom the employment and dismissal laws apply will not lose their rights in the reconstitution. If they are not rehired or are not assigned to another school in the school district they have the opportunity for a hearing. However, employment and dismissal laws shall not apply to educators who are employed in the district and assigned to the priority schools ~~after the effective date of this proviso~~ *July 1, 2009*, in the event of a reconstitution of the school in which the educator is employed. Those rights are only suspended in the event of a reconstitution of the entire school staff. Additionally, the rights and requirements of the employment and dismissal laws do not apply to educators who ~~are currently~~ *on July 1, 2009 were* on an induction or annual contract, that subsequently ~~are~~ *were* offered continuing contract status after the effective date of this proviso, and are employed at a school that is subject to reconstitution under this proviso.

The reconstitution of a school could take place if the school has been identified as a priority school that has failed to improve satisfactorily. The decision to reconstitute a school shall be made by the State Superintendent of Education in consultation with the principal ~~and/or principal mentor~~, the school board of trustees, and the district superintendent. The decision to reconstitute a school shall be made by April first, at which time notice shall be given to all employees of the school. The department, in consultation with the ~~principal and~~ district superintendent, shall develop a staffing plan, ~~recruitment and performance bonuses~~, and a budget for each reconstituted school.

The State Superintendent of Education may declare a state of emergency in a school or district if the accreditation status is probation or denied, if a majority of the schools fail to show improvement on the state accountability system, if the district is classified as being in "high risk" status financially, or for financial mismanagement resulting in a deficit. Upon declaration of a state of emergency, the Superintendent may take over management of the school or district. Management of the school or district may include direct management, consolidation with another district, charter management, public/private management, or contracting with an educational management organization or another school district.

~~Upon approval of the school renewal plans by the department and the State Board of Education, a newly identified school or a currently identified school with an absolute rating of below average or at risk on the report card will receive a base amount and a per pupil allocation based on the previous year's average daily membership as determined by the annual budget appropriation. No more than fifteen percent of funds not expended in the prior fiscal year may be carried forward and expended in the current fiscal year for strategies outlined in the school's renewal plan. Schools must use technical assistance funds to augment or increase, not to replace or supplant local or state revenues that would have been used if the technical assistance funds had not been available. Schools must use technical assistance funds only to supplement, and to the extent practical, increase the level of funds available from other revenue sources.~~

- 1A.20 AMEND** (Certified Staff Technology Proficiency) Requires the department to approve district technology plans to ensure the incorporation of certified staff technology competency standards requiring the demonstration of proficiency in these standards each certified staff's professional development plan. Direct that evidence of compliance is a prerequisite for expenditure of district technology funds.

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SUBCOMMITTEE RECOMMENDATION: AMEND proviso to delete the specified preferred method for demonstrating technology proficiency and instead direct that “District adopted technology proficiency standards and plan should be, at a minimum,” aligned to ISTE teacher standards. *The company that developed and supported the system referenced has been dissolved.*

1A.20. (SDE-EIA: Certified Staff Technology Proficiency) To ensure the effective and efficient use of the funding provided by the General Assembly in Part IA, Section 1 VIII.D. for school technology in the classroom and internet access, the State Department of Education shall approve district technology plans that specifically address and incorporate certified staff technology competency standards and local school districts must require certified staff to demonstrate proficiency in these standards as part of each certified staff’s Professional Development plan. ~~The Department of Education’s professional development tracking, prescriptive and electronic portfolio system for certified staff is the preferred method for demonstrating technology proficiency as this system is~~ *District adopted technology proficiency standards and plans should be, at minimum,* aligned to the International Society for Technology in Education (ISTE) teacher standards. Evidence that districts are meeting the requirement is a prerequisite to expenditure of a district’s technology funds.

1A.24 **AMEND** (Students at Risk of School Failure) Directs the expenditure of funding allocated for students at risk of school failure.

SUBCOMMITTEE RECOMMENDATION: AMEND proviso to change the poverty index measure from “student eligibility for free or reduced lunch program and Medicaid” to “students identified using the USDA Community Eligibility guidelines, students on Medicaid, students identified as Migrant and students identified as Homeless.” *To reflect the updated calculation to identify students in poverty. USDA Community Eligibility guidelines includes TANF, SNAP and Foster Children.* Fiscal Impact: None. Requested by Department of Education.

1A.24. (SDE-EIA: Students at Risk of School Failure) For the current fiscal year, EIA funds appropriated for students at academic risk of school failure, which include funds for Act 135 Academic Assistance, summer school, reduce class size, alternative schools, parent support and family literacy, must be allocated to school districts based two factors: (1) the poverty index of the district as documented on the most recent district report card, which measures ~~student eligibility for the free or reduced price lunch program and Medicaid~~ *students identified using the USDA Community Eligibility guidelines and students on Medicaid, students identified as Migrant and students identified as Homeless;* and (2) the number of students not in poverty or eligible for Medicaid but who fail to meet state standards on state standards-based assessments in either reading or mathematics. At least eighty-five percent of the funds allocated for students classified as at academic risk must be spent on instruction and instructional support for these students who generated the funds. Instructional support may include family literacy and parenting programs to students at-risk for school failure and their families. Students at academic risk are defined as students who are at risk of not graduating from high school because they failed either the English language arts or mathematics portion of the High School Assessment Program on first attempt and who score not met on grades three through eight in reading and mathematics state assessments. Public charter schools, the Palmetto Unified School District, and the Department of Juvenile Justice must also receive a proportionate per pupil allocation based on the number of students at academic risk of school failure served.

1A.25 **AMEND** (Professional Development) Allows up to \$500,000 of professional development funds to be used for gifted and talented teacher endorsement and certification activities. Directs

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that school district allocations must be based on WPU and be expended on professional development for certified instructional personnel teaching in grades K through 12 across all content areas. Authorizes the department to retain up to 25% for administration and for providing professional development services. Requires the department to post professional development standards on their website and provide training through telecommunication methods.

SUBCOMMITTEE RECOMMENDATION: AMEND proviso to require the department to target the use of the 25% to districts who are or were the original trial and plaintiff school districts in the Abbeville law suit to increase the capacity of educators and leaders in those districts. Authorize unexpended professional development funds to be carried forward and used for the same purpose. Fiscal Impact: None. Requested by Department of Education.

1A.25. (SDE-EIA: Professional Development) Of the funds appropriated for professional development, up to \$500,000 may be expended for gifted and talented teacher endorsement and certification activities. The balance of EIA funds appropriated for professional development must be allocated to districts based on the number of weighted pupil units in each school district in proportion to the statewide weighted pupil units using the one hundred thirty-five day count of the prior school year. The funds must be expended on professional development for certificated instructional and instructional leadership personnel in grades kindergarten through twelve across all content areas, including teaching in and through the arts. No more than twenty-five percent of the funds appropriated for professional development may be retained by the Department of Education for the administration and provision of other professional development services *which must be targeted to districts who are or were the original trial and plaintiff school districts in the Abbeville law suit to increase the capacity of educators and leaders in those districts.* The Department of Education must provide professional development on assessing student mastery of the content standards through classroom, formative and end-of-year assessments. The Department of Education also must post on the agency's website the South Carolina Professional Development Standards and provide training through telecommunication methods to school leadership on the professional development standards. *The department is authorized to carry forward and expend professional development funds for the same purpose.*

1A.26 **AMEND** (Assessments-Gifted & Talented, Advanced Placement, & International Baccalaureate Exams) Directs that up to \$4,600,000 of assessment funds be used for assessments to determine gifted and talented programs eligibility and for the cost of AP and IB exams.

SUBCOMMITTEE RECOMMENDATION: AMEND proviso to change "\$4,600,000" to "\$5,400,000. *Use of additional funds will be required due to increased participation in AP testing and in order to have funds for the IB exams. Reflects actual cost.* Fiscal Impact: The department anticipates an additional \$700,000 will be needed for FY 16-17. Requested by Department of Education.

1A.26. (SDE-EIA: Assessments-Gifted & Talented, Advanced Placement, & International Baccalaureate Exams) Of the funds appropriated and/or authorized for assessment, up to ~~\$4,600,000~~ \$5,400,000 shall be used for assessments to determine eligibility of students for gifted and talented programs and for the cost of Advanced Placement and International Baccalaureate exams.

1A.27 **AMEND** (Adult Education) Provides for the allocation of adult education funds to school districts. Requires districts to collect and report certain information to the department and for the department to provide summary information to certain legislative committees.

SUBCOMMITTEE RECOMMENDATION: AMEND proviso to allow up to \$300,000 to be used to establish an initiative for qualifying adult education students to qualify for a free high

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school equivalency test and direct the department to establish guidelines for this initiative. Fiscal Impact: The department is requesting \$1.5 million for Adult Education. Requested by Department of Education.

1A.27. (SDE-EIA: Adult Education) A minimum of thirty percent of the funds appropriated for adult education must be allocated to school districts to serve adult education students between the ages of seventeen and twenty-one who are enrolled in programs leading to a state high school diploma, state high school equivalency diploma (GED), or career readiness certificate (WorkKeys). The remaining funds will be allocated to districts based on a formula which includes factors such as target populations without a high school credential, program enrollment the previous school year, number of students making an educational gain the previous school year, and performance factors such as number of high school credentials and career readiness certificates awarded the previous school year. Overall levels of state funding must meet the federal requirement of state maintenance of effort. Each school district must collect information from both the student and the school including why the student has enrolled in Adult Education and whether or not the student is pursuing a GED or Diploma. The school district must then provide a quarterly report to the Department of Education and must include the unique student identifier. The department, in turn, will provide summary information to the House Ways and Means Committee, the House Education and Public Works Committee, the Senate Finance Committee and the Senate Education Committee on the information. Up to a maximum of \$300,000, of funds may be used to establish an initiative by which qualifying adult education students may qualify for a free high school equivalency test. The Department of Education shall establish guidelines for the free high school equivalency testing initiative.

1A.28 **AMEND** (Clemson Agriculture Education Teachers) Provides for funds to be transferred to Clemson University PSA to fund summer employment of agricultural teachers and to cover state-mandated salary increases on that portion of agricultural teachers' salaries.
SUBCOMMITTEE RECOMMENDATION: AMEND proviso to authorize the funds to be used for a Regional Coordinator if there are sufficient funds. Requested by Clemson University PSA.

1A.28. (SDE-EIA: Clemson Agriculture Education Teachers) The funds appropriated in Part IA, Section VIII.E. for Clemson Agriculture Education Teachers must be transferred to Clemson University PSA to fund summer employment of agriculture teachers and to cover state-mandated salary increases on that portion of the agriculture teachers' salaries attributable to summer employment. If sufficient funds remain, Clemson University PSA may utilize such funds for a Regional Coordinator.

1A.33 **AMEND** (IDEA Maintenance of Effort) Directs that Aid to Districts funds be used to meet the estimated maintenance of effort for IDEA. Directs that funds provided for IDEA maintenance of effort may not be transferred for any other purpose and are not subject to flexibility. Requires the department submit an estimate of the IDEA MOE requirement to the General Assembly and the Governor by December, 2015.
SUBCOMMITTEE RECOMMENDATION: AMEND proviso to update the report due date to 2016.

1A.33. (SDE-EIA: IDEA Maintenance of Effort) Prior to the dispersal of funds appropriated in Section VIII.A.1. Aid to Districts according to Proviso 1A.31 for the current fiscal year, the department shall direct funds appropriated in Section VIII.A.1. Aid To Districts to school districts and special schools for supplemental support of programs and services for

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students with disabilities, to meet the estimated maintenance of effort for IDEA. Funds provided for the maintenance of effort for IDEA may not be transferred to any other purpose and therefore are not subject to flexibility. The department shall distribute these funds using the current fiscal year one hundred thirty-five day Average Daily Membership. For continued compliance with the federal maintenance of efforts requirements of the IDEA, funding for children with disabilities must, to the extent practicable, be held harmless to budget cuts or reductions to the extent those funds are required to meet federal maintenance of effort requirements under the IDEA. In the event cuts to funds that are needed to maintain fiscal effort are necessary, when administering such cuts, the department must not reduce funding to support children with disabilities who qualify for services under the IDEA in a manner that is disproportionate to the level of overall reduction to state programs in general. By December 1, ~~2015~~ 2016, the department must submit an estimate of the IDEA MOE requirement to the General Assembly and the Governor.

1A.34 AMEND (Career Cluster Industry Partnerships) Direct the department to provide \$800,000 in direct grants to private sector industry partners that apply for a grant and who meet the guidelines. Requires the organization to submit reports that detail the work and outcomes and to also submit semi-annual programmatic and financial reports.

SUBCOMMITTEE RECOMMENDATION: AMEND proviso to change the requirement that organizations must apply for the grant by July “first” to July “31st.”

1A.34. (SDE-EIA: Career Cluster Industry Partnerships) From the funds appropriated to the Department of Education, \$800,000 must be provided as direct grants to the private sector statewide trade association or educational foundation providing nationally certified programs in career and technology education representing the automotive, construction, engineering, healthcare, mechanical contracting/construction, and hospitality tourism career clusters. Organizations applying for a grant must do so by July ~~first~~ 31st and the Department of Education must award a minimum of one grant of at least \$150,000 in at least four of these specified career clusters to be used exclusively for career and technology education. The recipient industry organization must conduct end-of-course exams graded by a national industry organization and must include in their grant request how the money will be spent to further industry-specific career technology education; a description and history of their program nationally and within South Carolina; estimates of future employment growth in their industry; and the national scope of their program. By August first of the following year, the organization must submit to the department a report detailing how the grant increased industry/employer awareness; the number of increased schools using the industry-based curriculum and partnered with the industry organization; the increased number of students in the program; and an overview and analysis of the organization’s statewide student competition. The grant must be used for career awareness programs for that industry cluster; statewide student competitions leading to national competitions; teacher development and training; post-secondary scholarships in industry-specific degree programs; student recruitment into that career cluster programs; programs to educate middle and high school Career or Guidance Counselors about the industry; service to disadvantaged youth; and administering business/employer awareness and partnerships which help lead to experience-based, career-oriented experiences including internships, apprenticeships, mentoring, co-op education and service learning. The Office of Career and Technology Education of the department will develop goals with each career cluster on the number of new schools using the industry-based curriculum and partnered with that career cluster organization. These funds may not be used to supplant or replace, in whole or in part, other existing resources/assets sourced outside the present grant being used to provide the same services or programs. Organizations may carry-over grants for up to three years when a large project is identified in the grant

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application to be used at a future date; otherwise excess funds must be returned to the state. Organizations awarded must submit a semi-annual programmatic and financial report on the last day of December in addition to the final report due August first that has been audited by a third party accounting firm.

- 1A.37 DELETE** (Career and Technology Education Consumables) Allows the department to use a maximum of 25% of Modernize Vocational Equipment, Career and Technology Education funds to purchase textbooks, instructional materials, and other consumables used in classroom instruction. Authorizes Modernize Vocational Equipment and Tech Prep funds to be carried forward and used for the same purpose.

SUBCOMMITTEE RECOMMENDATION: DELETE proviso. *The department states this proviso will be consolidated in proviso 1A.ctef directing the use of funds for vocational equipment. Districts will continue to be able to use such funds for consumable replacement under the new proviso.* Fiscal Impact: None. Requested by Department of Education.

~~**1A.37.** (SDE-EIA: Career and Technology Education Consumables) A maximum of twenty five percent of the funds appropriated for Modernize Vocational Equipment, Career and Technology Education may be utilized to purchase textbooks, instructional materials and other consumables used in classroom instruction. The department may carry forward unexpended Modernize Vocational Equipment and Tech Prep funds to be used for the same purpose.~~

- 1A.38 AMEND** (Teacher Salaries/SE Average) States the projected Southeastern average teacher salary for FY 2015-16 is \$49,796. Requires a local district board of trustees to provide a step increase for all eligible certified teachers. Directs the department to continue to use the FY 2012-13 statewide minimum teacher salary schedule in FY 2015-16.

SUBCOMMITTEE RECOMMENDATION: AMEND proviso to change the projected SE average teacher salary from “\$49,796” to “\$51,495” and update fiscal year to “2016-17.”

1A.38. (SDE-EIA: Teacher Salaries/SE Average) The projected Southeastern average teacher salary shall be the average of the average teachers’ salaries of the southeastern states as projected by the Revenue and Fiscal Affairs Office. For the current school year the Southeastern average teacher salary is projected to be ~~\$49,796~~ \$51,495. The General Assembly remains desirous of raising the average teacher salary in South Carolina through incremental increases over the next few years so as to make such equivalent to the national average teacher salary.

The statewide minimum teacher salary schedule used in Fiscal Year 2012-13 will continue to be used in Fiscal Year ~~2015-16~~ 2016-17.

Additionally, for the current fiscal year, a local school district board of trustees must increase the salary compensation for all eligible certified teachers employed by the district by no less than one year of experience credit using the district salary schedule utilized the prior fiscal year as the basis for providing the step. Application of this provision must be applied uniformly for all eligible certified teachers.

Funds appropriated in Part IA, Section 1, VIII.C.2. for Teacher Salaries must be used to increase salaries of those teachers eligible pursuant to Section 59-20-50(b), to include classroom teachers, librarians, guidance counselors, psychologists, social workers, occupational and physical therapists, school nurses, orientation/mobility instructors, and audiologists in the school districts of the state.

For purposes of this provision teachers shall be defined by the Department of Education using the Professional Certified Staff (PCS) System.

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1A.41 DELETE (Assessment Preparation) Directs the department institute a plan to review the strengths and weaknesses of students on national assessments and to use the results to provide guidance to local school districts.

SUBCOMMITTEE RECOMMENDATION: DELETE proviso. *The department states the program has not been implemented. The department will develop guidelines for technical assistance and professional development for educator teams to evaluate student performance on assessments and to provide guidance on how results should inform instruction.* Fiscal Impact: None. Requested by Department of Education.

~~**1A.41.** (SDE-EIA: Assessment Preparation) From the funds appropriated in Part IA for Assessment Preparation, the Department of Education shall institute a plan reviewing the strengths and weaknesses of students on national assessments such as, but not limited to, the SAT, ACT, WorkKeys, GED, Advanced Placement exams, and International Baccalaureate exams. The department shall use reports that analyze student strengths and weaknesses to provide guidance to local school districts.~~

1A.52 CONFORM TO FUNDING / AMEND (Surplus) Requires EIA funds carried forward from the prior fiscal year that are not appropriated or authorized to be carried forward and spent for specified purposes and directs that any additional funds carried forward and not otherwise appropriated or authorized to be used for Instructional Materials.. Allows the funding items to be reduced pro rata if there are not sufficient monies to fund the items.

SUBCOMMITTEE RECOMMENDATION: CONFORM TO FUNDING RECOMMENDATION / AMEND proviso to update fiscal year to 2016-17. Amend list of items to delete “Modernize Vocational Equipment - \$1,501,307; Assessment/Testing - \$7,300,000; and Digital Music Materials - \$625,000.” Add “Instructional Materials - \$20,451,750.”

1A.52. (SDE-EIA: Surplus) For Fiscal Year ~~2015-16~~ 2016-17, EIA surplus funds from the prior fiscal year and not otherwise appropriated or authorized must be carried forward and expended on the following items:

1. EOC - Partnerships for Innovation - \$900,000;
2. Allendale County School District - \$150,000;
3. ~~Modernize Vocational Equipment - \$1,501,307;~~ Instructional Materials \$20,451,750
4. ~~Assessment/Testing - \$7,300,000; and~~
5. ~~Digital Music Materials as provided in FY 2014-15 - up to \$625,000.~~

Any additional funds carried forward and not otherwise appropriated or authorized may be used for Instructional Materials.

If excess EIA revenues are less than the amounts appropriated, funding for the items listed herein shall be reduced on a pro rata basis.

1A.54 AMEND (South Carolina Public Charter School District Funding) Provides for the allocation of S.C. Public Charter School District funds per weighted pupil: \$1,900 for virtual charter schools and \$3,600 for brick and mortar charter schools. Limits the amount which must be carried forward to not more than 10% of the prior year appropriation and directs that any excess funds be transferred to the Charter School Facility Revolving Loan Program.

SUBCOMMITTEE RECOMMENDATION: AMEND proviso to extend the timelines for ruling on charter school applications in FY 2016-17 by 60 days if the Public Charter School District determines an applicant should be allowed to amend its application to meet the requirements of Sections 59-40-60 [CHARTER APPLICATION; REVISION; FORMATION OF CHARTER SCHOOL; CHARTER COMMITTEE; APPLICATION REQUIREMENTS] and 59-40-70 [APPLICATION REQUIREMENTS; HEARING; APPEAL] based on their proposal to address an existing achievement gap

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in an underserved area of the state including, but not limited to, school district plaintiffs in the Abbeville law suit. Direct the EOC to report to the Ways and Means Committee at the end of the application cycle on the outcome of extending the hearing time.

1A.54. (SDE-EIA: South Carolina Public Charter School District Funding) The funds appropriated in Part IA, Section VIII.G. - South Carolina Public Charter School District must be allocated in the following manner to students at charter schools within the South Carolina Public Charter School District: Pupils enrolled in virtual charter schools sponsored by the South Carolina Public Charter School District shall receive \$1,900 per weighted pupil and pupils enrolled in brick and mortar charter schools sponsored by the South Carolina Public Charter School District shall receive \$3,600 per weighted pupil. Any unexpended funds, not to exceed ten percent of the prior year appropriation, must be carried forward from the prior fiscal year and expended for the same purpose. Any unexpended funds exceeding ten percent of the prior year appropriation must be transferred to the Charter School Facility Revolving Loan Program established in Section 59-40-175. For Fiscal Year 2016-17, the timelines set forth for ruling on charter school applications are extended for sixty calendar days for all applications submitted to the South Carolina Public Charter School District if the district determines that an applicant should be permitted to amend its application to meet the requirements of Section 59-40-60 and Section 59-40-70, of the 1976 Code, based on an applicant's proposal to address an existing achievement gap utilizing an evidence-based educational program in an underserved geographical area of the state including, but not limited to, charter schools proposed to be located in any school district that is a plaintiff in the Abbeville law suit. The Education Oversight Committee shall report the House Ways and Means Committee on the outcomes of this extended time for a hearing at the end of the application cycle.

1A.56 **DELETE** (Public Charter School District Hold Harmless) Requires the Public Charter School District use up to \$3 million of their carry forward funds to hold its schools harmless from any reduction in funds that result from EFA weightings changes in the current fiscal year.
SUBCOMMITTEE RECOMMENDATION: DELETE proviso.

~~**1A.56.** (SDE-EIA: Public Charter School District Hold Harmless) For Fiscal Year 2015-16, the South Carolina Public Charter School District must use up to \$3,000,000 in prior year carry forward funds to hold its schools harmless from any reduction in funds as a result of changes to the EFA weightings in the current fiscal year.~~

1A.58 **DELETE** (Palmetto Priority School) Requires up to \$2,200,000 of EAA-Technical Assistance funds be spent to provide \$200,000 to each school designated as a Palmetto Priority School in the prior year that meet certain criteria and allows the funds to be reduced on a pro-rata basis if there is not sufficient funds to provide the \$200,000.
SUBCOMMITTEE RECOMMENDATION: DELETE proviso. *Proviso is no longer needed.* Requested by Department of Education.

~~**1A.58.** (SDE-EIA: Palmetto Priority School) Of the funds appropriated for EAA-Technical Assistance, up to \$2,200,000 must be expended to provide \$200,000 to each school that was designated by the department as a Palmetto Priority School in the prior year, but did not receive an allocation of EIA technical assistance funds in the prior fiscal year to improve teacher recruitment and retention, to reduce the district's dropout rate, to improve student achievement in reading/literacy, or to train teachers in how to teach children of poverty as stipulated in the school's renewal plan. If funds are not sufficient to provide \$200,000 to each qualifying school, the \$200,000 shall be reduced on a pro-rata basis.~~

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1A.60 **AMEND** (BabyNet Early Intervention Autism Therapy) Requires the \$814,348 appropriated to First Steps for BabyNet Autism Therapy be used only to increase the BabyNet autism therapy provider hourly rate to \$13.58 and the individual hourly pay of line therapists to a minimum of \$10.00. Requires First Steps to consult with DDSN on implementation of these increases and ensure that the line therapists meet all current state requirements. Requires First Steps send a quarterly compliance report to the Chairmen of the Senate Finance and House Ways and Means Committees and directs that the report include information on the expenditure of state funds as well as receipt and expenditure of Federal Medicaid funds associated with the program.

SUBCOMMITTEE RECOMMENDATION: AMEND proviso to direct that the provider rate is \$13.58 per hour “or the current Medicaid rate, whichever is higher.” *The amount currently in the proviso was the Medicaid rate when the proviso was originally drafted. The change would require the payment to be adjusted up if the current Medicaid rate is higher.* Fiscal Impact: No impact at this time. Requested by First Steps to School Readiness.

1A.60. (SDE-EIA: BabyNet Early Intervention Autism Therapy) The \$814,348 in funds appropriated in this act to the Office of First Steps to School Readiness for BabyNet Autism Therapy must be used only to increase the BabyNet autism therapy provider hourly rate and the individual hourly pay of line therapists during the current fiscal year. The Office of First Steps must consult with the Department of Disabilities and Special Needs regarding the implementation of these increases. The Office of First Steps must ensure that, prior to payment, these line therapists meet all current state requirements. It is the intent of the General Assembly that these monies be used solely for the purpose of increasing the BabyNet autism therapy provider rate to \$13.58 per hour or the current Medicaid rate, whichever is higher, and the hourly pay to individual line therapists being increased to a minimum of \$10.00 per hour. Quarterly, the Office of First Steps must send a letter to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee reporting on their compliance with the requirements of this proviso. The report must include information regarding the expenditure of state funds as well as the receipt and expenditure of Federal Medicaid funds associated with the program.

1A.63 **DELETE** (Technology/Device Pilot Project) Authorizes the department to use up to \$4,500,000 of available carry forward funds to purchase electronic devices and digital content and to select up to six schools to participate in the pilot project. Provides guidelines for implementation of the pilot project and requires the department provide a report to the Chairmen of the Senate Finance, Senate Education, House Ways and Means, and House Education and Public Works Committees by December 15, 2015, that outlines implementation and use in the selected districts.

SUBCOMMITTEE RECOMMENDATION: DELETE proviso.

1A.63. (SDE-EIA: Technology/Device Pilot Project) ~~For the current fiscal year, the Department of Education is authorized to utilize up to \$4,500,000 of available carry forward funds, not including CDEPP or 4K funds, for the purchase of electronic devices and digital content. The Department of Education may select up to six school districts to participate in this pilot project. For purposes of this pilot, digital content is not defined as the digital equivalent of printed instructional material. Districts receiving approval from the State Board of Education may purchase devices and digital content directly from a state approved vendor.~~

~~In order to best serve schools and students within the school district, the school district must develop an implementation plan listing the devices and digital content by grade level and subject and the implementation plan must be presented to the local school board in a public meeting for~~

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~~approval and be made available to the public on the school district website prior to the public school board meeting.~~

~~The department must provide a certification form for a local school board on behalf of the school district to approve in a public meeting, have signed by the board chairman and district superintendent requesting approval for funding based on the number of students in the schools participating in the pilot. The department must develop the certification form with the intent of assisting school districts with meeting State Board of Education approval.~~

~~Upon school board approval, and no later than July twenty fifth, the certification form and the detailed plan must be submitted to the department for State Board of Education approval. The State Board of Education must notify the school district of their decision to approve or disapprove no later than August fifteenth. If a school district does not receive State Board of Education approval the valid cause along with measurements necessary for the school district to meet approval must be provided to the local school board. The school district may make the required adjustments to their implementation plan and resubmit their certification form and plan to the State Board of Education for subsequent approval no later than ten days from the date of resubmission.~~

~~The school district may utilize no more than ten percent of the funds for professional development on the use of the acquisitions and must utilize no less than ninety percent of the funding received for the acquisition of devices and digital content. If approved the school district is required to ensure that all participating students in the pilot have access to the curriculum needed without regard to the student's home internet access capabilities.~~

~~The school district shall establish rules and policies that provide for the reasonable care and safety of the materials to include reasonable penalties for abuse, destruction, and loss and excluding ordinary wear and tear, provide for reimbursement by the pupils, their parents or legal guardians.~~

~~No later than December 15, 2015, the department shall provide a report outlining the implementation and use in the selected districts to the Chairman of the Senate Finance Committee, the Chairman of the Senate Education Committee, the Chairman of the House Ways and Means Committee and the Chairman of the House Education and Public Works Committee.~~

1A.64 AMEND (Rural Teacher Recruiting Incentive) Creates a program within CERRA to recruit and retain classroom educators in rural and underserved districts that annually experience excessive teacher turnover. Requires CERRA report by 1/15/16 to the Governor, the President Pro Tempore of the Senate, and the Speaker of the House on the incentives that have been developed. Authorize Rural Teacher Recruiting Incentive funds to be carried forward and used for the same purpose.

SUBCOMMITTEE RECOMMENDATION: AMEND proviso to change “Fiscal Year 2015-16” to “the current fiscal year.” Direct CERRA to “publish” rather than “develop” eligibility requirements. Direct CERRA to include incentives for subsidized tuition and instructional materials; for enhanced student loan forgiveness or repayment; for establishment and maintenance of a teaching mentorship program; and for other technical support and recruiting incentives. Direct CERRA to also develop a process for recovering an amount equal to the incentive given to a participant who does not meet the obligations associated with the incentive.

1A.64. (SDE-EIA: Rural Teacher Recruiting Incentive) (A) There is created a program within the South Carolina Center for Educator Recruitment, Retention, and Advancement (CERRA) to recruit and retain classroom educators in rural and underserved districts experiencing excessive turnover of classroom teachers on an annual basis.

(B) During ~~Fiscal Year 2015-16~~ the current fiscal year CERRA shall ~~develop~~ publish eligibility requirements and applications for individual educators, school districts, and

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institutions of higher education not inconsistent with existing licensure requirements for each, but also including:

(1) Eligible districts identified by CERRA as experiencing greater than twelve percent average annual teacher turnover, as reported on the districts' five most recent district report cards issued by the South Carolina Department of Education, may make application to participate in the program.

(2) Individuals eligible for incentives shall be willing to provide instructional services in an eligible district in exchange for participation in an incentive detailed in item (C) of this section, pursuant to the obligations and restrictions stated for each.

(3) Institutions of higher education eligible to receive education funding as a component of recruiting incentives created pursuant to item (C) of this section shall not be excluded from participation in Teaching Fellows Program ~~in accordance with proviso 1A.57 of this Act.~~

(4) Any incentives requiring individuals to relocate into an eligible district to provide instructional services shall not be made available to individuals providing instructional services in other eligible districts.

(C) Pursuant to item (A), CERRA shall develop a set of incentives including, but not limited to, salary supplements, education subsidies, professional development, and mentorship to be provided to classroom educators that offer instructional services in eligible districts. ~~The incentives and implementation shall be developed in consultation with the State Department of Education and the Education Oversight Committee,~~ and shall provide incentive options for eligible individuals at all stages of their careers, including high-school and college or university students interested in entering the teaching profession.

At a minimum, the incentives shall include:

(1) Subsidized tuition and instructional materials for students pursuing baccalaureate degrees in a major course of study that will result in that student's eligibility to seek certification as a teacher. Students participating in this incentive shall commit to providing instructional services in an eligible district at a rate of two school years for every year of subsidy received.

(2) Enhanced student loan forgiveness or repayment not to exceed \$7,500 per year. Teachers participating in this incentive shall commit to providing one year of instructional services in an eligible district for each year this incentive is received.

(3) Subsidized tuition, fees, and instructional materials for individuals pursuing graduate coursework in furtherance of a teaching career, including enrollment in a graduate degree-granting program, graduate-level coursework necessary to seek additional credentialing or certification relevant to the participant's teaching practice, or individuals seeking an alternative pathway to certification as a teacher.

(4) Support for the establishment and maintenance of a teaching mentorship program, including salary supplements for teaching mentors not to exceed \$5,000 per year for a period of time not to exceed 5 years.

(5) Other technical support and recruiting incentives as developed by CERRA in conjunction with the Department of Education and the Education Oversight Committee consistent with the objectives of this section.

(D) In addition to eligibility and application requirements, CERRA shall develop a process for recovering an amount equal to the incentives given to individual participants who fail to comply with the obligations associated with a relevant incentive in which they participate including, but not limited to, failure to complete a prescribed course of study, failure to obtain a relevant certification or licensure upon completion of a course of study, or failure to provide instructional services in an eligible district for a prescribed period of time.

(E) CERRA shall report by ~~January 15, 2016~~ July 31 of the current fiscal year to the Governor, President pro Tempore of the Senate, and Speaker of the House on the incentives

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developed pursuant to item (C) of this section and make recommendations for attracting and retaining high quality teachers in rural and underserved districts. The report shall contain at a minimum eligibility requirements and application processes for districts and individuals, descriptions of and proposed budgets for each incentive program and an analysis of the number and demographics of individuals potentially eligible for each.

(E F) Funds appropriated or transferred for use in the Rural Teacher Recruiting Incentive may be carried forward from prior fiscal years and used for the same purpose.

1A.66 AMEND (~~Reading~~ Literacy Coaches) Provides for the allocation of funds appropriated for Reading Coaches to school districts.

SUBCOMMITTEE RECOMMENDATION: AMEND proviso to change “reading coaches” to “literacy coaches” and change “Not Met” to “below proficient.” Clarify the duties associated with literacy coaches. Direct that unspent or unallocated literacy coach funds be used to fund Summer Reading Camps and require the department report the amount of funds used for this purpose. *Note: Companion proviso 1.66 in General Education Section.*

1A.66. (SDE-EIA: ~~Reading~~ Literacy Coaches) (A) Funds appropriated for ~~Reading~~ Literacy Coaches must be allocated to school districts by the Department of Education as follows:

(1) for each elementary school in which twenty percent or more of the students scored ~~Not Met~~ below proficient on the reading and research test in the most recent year for which such data are available, the school district shall be eligible to receive the lesser of either up to \$62,730 or the actual cost of salary and benefits for a full-time ~~reading~~ literacy coach; and

(2) for each elementary school in which fewer than twenty percent of the students scored ~~Not Met~~ below proficient on the reading and research test during the same period, the school district shall be eligible to receive the lesser of either up to \$31,365 or fifty percent of the actual cost of salary and benefits for a full-time ~~reading~~ literacy coach. A school district must provide local support for state funds provided under this paragraph. School districts may use existing local funds currently used for reading assistance as the local support.

(B) By accepting these funds, a school district warrants that they will not be used to supplant existing school district expenditures, except for districts that either are currently, or in the prior fiscal year, were paying for ~~reading coaches~~ literacy coaches with local funds. A district may, however, assign a ~~reading~~ literacy coach to a primary school rather than to the elementary school to improve the early literacy skills of young children.

(C) Funds appropriated for ~~Reading Coaches~~ Literacy coaches are intended to be used to provide elementary schools with ~~reading~~ literacy coaches, who shall serve as job-embedded, stable resources for professional ~~development~~ learning opportunities throughout schools in order to generate improvement in reading and literacy instruction and student achievement. ~~Reading coaches~~ Literacy coaches shall support and provide initial and ongoing professional ~~development~~ learning opportunities to teachers based on an analysis of ~~student assessment and data~~, the provision of differentiated instruction, and intensive ~~intervention~~ interventions. ~~The reading coach shall~~ Schools and districts accepting funding to support a coaching position agree to the following:

(1) Literacy coaches shall model effective instructional strategies for teachers ~~by working weekly with students in whole, and small groups, or individually;~~

(2) Literacy coaches shall facilitate ~~study groups~~ professional learning opportunities for educators and leadership teams through work with students in demonstration lessons by modeling instructional strategies;

(3) Literacy coaches shall train teachers in data analysis and using data to ~~differentiated~~ differentiate instruction;

(4) Literacy coaches shall ~~coaching and mentoring~~ coach and mentor colleagues;

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(5) Literacy coaches shall work with teachers to ensure that ~~research~~ evidence-based reading programs strategies are implemented with fidelity;

(6) ~~work with all teachers (including content area and elective areas) at the school they serve, and help prioritize time for those teachers, activities, and roles~~ Literacy coaches shall coordinate literacy and instructional strategies across the school that will have the greatest impact on student achievement, ~~namely coaching and mentoring in the classrooms~~ at both the school and district level;

(7) Literacy coaches shall help lead and support reading literacy leadership teams; and,
(8)

(D) The ~~reading~~ literacy coach must not be assigned a regular classroom teaching assignment, must not serve ~~an~~ as an administrator, must not perform administrative functions that deter from the flow of improving reading instruction and reading performance of students, and must not devote a significant portion of his or her time to administering or coordinating assessments. School districts may utilize literacy coaches as interventionists as included in the district reading plan and when supported by assessment data showing the district reading plan is improving literacy.

(E) ~~No later than February 1, 2016, the~~ The Department of Education must publish guidelines that define the minimum qualifications for a reading literacy coach for ~~Fiscal Year 2015-16~~. These guidelines must deem any licensed/certified teacher qualified if, at a minimum, he or she:

(1) holds a bachelor's degree or higher and an add-on endorsement for literacy coach or literacy specialist; or

(2) holds a bachelor's degree or higher and is actively pursuing the literacy coach or literacy specialist endorsement; or

(3) holds a master's degree or higher in reading or a closely-related field.

Within these guidelines, the Department of Education must ~~also establish a process for Fiscal Year 2015-16 through which an elementary school may be permitted to use some or all of the allocation granted under subsection (A) in order to obtain in-school reading coaching services from a department approved consultant or vendor,~~ assist districts in identifying a literacy coach in the event that the school is not successful in identifying and directly employing a qualified candidate. The provisions of subsection (A), including the local support requirements, shall also apply to any allocations made pursuant to this paragraph.

(F) The Department of Education must develop procedures for monitoring the use of funds appropriated for ~~Reading Coaches~~ literacy coaches to ensure they are applied to their intended uses and are not redirected for other purposes. The Department of Education may receive up to \$100,000 of the funds appropriated for ~~Reading Coaches~~ literacy coaches in order to implement this program, provided that this allocation does not exceed the department's actual costs.

(G) Prior to the close of the current fiscal year, any ~~remaining unspent or unallocated~~ funds for ~~Reading Coaches,~~ literacy coaches ~~but no more than \$5,000,000,~~ shall be distributed by the Department of Education among the school districts containing elementary or primary schools that were eligible for and which elected to receive funding under subsection (A)(1) of this proviso; these funds shall be distributed in proportion to these districts' relative shares of students who scored Not Met on the research and reading test in the most recent year for which such data are available used to fund Summer Reading. Funds distributed under this subsection must be used exclusively to support reading-related professional development opportunities for teachers that lead to the literacy add-on endorsement.

(H) The Department of Education shall require:

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(1) any school district receiving funding under subsection (A) to identify the name and qualifications of the supported ~~reading~~ literacy coach; as well as the school in which the coach is assigned ~~along with the rationale for how the school selection was made~~; and

(2) any school district receiving funding under subsection (~~F~~ G) to account for the specific amounts and uses of such funds.

(~~H~~ I) With the data reported by the school districts, the department shall report by January fifteenth of the current fiscal year on the hiring of and assignment of ~~reading~~ literacy coaches by school ~~and on the expenditure of professional development funds for opportunities for teachers to earn the literacy endorsement~~. The department shall also report the amount of funds that will be ~~carried forward~~ used for Summer Reading Camps.

(~~I~~ J) Funds appropriated for ~~Reading Coaches~~ literacy coaches shall be retained and carried forward to be used for the same purpose but may not be flexed.

(~~J~~ K) For Fiscal Year ~~2015-16~~ 2016-17, if increased funding for ~~reading~~ literacy coaches is not sufficient to provide additional ~~reading~~ literacy coaches at each elementary school then the funding must be targeted to the areas of greatest need based on the number of students substantially failing to demonstrate reading proficiency as indicated on the prior year's state assessment.

1A.68 **AMEND** (4K Early Literacy Competencies Assessments) Provides for the use of full-day 4K program carry forward funds to procure and administer pre-kindergarten and kindergarten readiness assessments.

SUBCOMMITTEE RECOMMENDATION: AMEND proviso to delete the directive that the department, in consultation with First Steps, select up to 3 formative assessments and instead direct the department to manage the administration of the assessments as done in the prior fiscal year. Direct that accommodations that do not invalidate assessment results must be provided in the manner set forth by the student's Individualized Education Program or 504 Accommodations Plan. Delete the requirement that school districts and private providers be allocated \$15 per child to cover the cost of the formative assessment and for them to report electronically to the department on the results of each individual assessment. *The department wants to use the same assessments as were used in the prior year until the KEA work on the numeracy readiness assessment which is being piloted in North Carolina is completed.* Fiscal Impact: None. Requested by Department of Education.

1A.68. (SDE-EIA: 4K Early Literacy Competencies Assessments) Of the funds carried forward from the full-day 4K program from the previous fiscal year, the Department of Education is authorized to expend up to \$800,000 on assessments and professional development to analyze the early literacy competencies of children in publicly funded prekindergarten. The department, ~~in consultation with the Office of First Steps, will select up to three formative~~ shall manage the administration of assessments that analyze the early literacy and language development of children in publicly funded prekindergarten as done in the prior fiscal year. Each school district and private provider participating in a publicly funded prekindergarten program will administer one of the formative assessments selected by the department to each child eligible for and enrolled in a publicly funded prekindergarten program during the first forty-five days of the school year and during the last forty-five days of the school year. Accommodations that do not invalidate the results of these assessments must be provided in the manner set forth by the student's Individualized Education Program or 504 Accommodations Plan. ~~School districts and private providers will be allocated \$15 per child assessed to cover the cost of the formative assessment. School districts and private providers are required to report electronically the results of each individual assessment to the department using a form that must include the unique student identifier and any other information prescribed by the department. In turn, the~~ The department

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will provide the assessment data to the Education Oversight Committee. The results of the assessment and the developmental intervention strategies recommended or services needed to address the child's identified needs must also be provided, in writing, to the parent or guardian. The assessment may not be used to deny a student to admission to prekindergarten.

Furthermore, \$2,000,000 of the funds appropriated for half-day programs for four-year-olds and funds carried forward from assessment must be expended by the Department of Education to administer the Developmental Reading Assessment® 2nd Edition PLUS to implement the progress monitoring system required by the Read to Succeed Act of 2014 and to evaluate the early literacy and language competencies of each child entering kindergarten in the public schools. The assessment of kindergarten students must be administered at a minimum of once during the first forty-five days of the school year and once during the last forty-five days of the school year with the results collected by the department. The results of the assessments and the developmental intervention strategies recommended or services needed to address each child's identified needs must also be provided, in writing, to the parent or guardian. The assessment may not be used to deny a student admission to kindergarten. Accommodations that do not invalidate the results of these assessments must be provided in the manner set forth by the student's Individualized Education Program or 504 Accommodations Plan. Districts are given the option of designating up to two days of the one hundred eighty day school calendar to administer the assessment to kindergarten students. The department will also provide the results of the assessment of kindergarten students to the Education Oversight Committee. With available funds, the department will also provide or secure training for appropriate educators in how to administer the assessment. In addition the department may pilot in kindergarten classes one or more comprehensive readiness assessments that address the other domains in numeracy, approaches to learning, social and emotional development, and physical well-being in the current school year.

1A.70 DELETE (Statewide Assessment Procurement) Directs the department, in consultation with the State Board of Education and the EOC to use assessment funds to issue a procurement for a statewide assessment to students in grades 3-8 in English/language arts and math the meet EAA requirements. Requires the assessment be a rigorous achievement assessment that measures student mastery of the SC College and Career-Ready Standards.

SUBCOMMITTEE RECOMMENDATION: DELETE proviso. *The procurement has been completed.* Fiscal Impact: None. Requested by Department of Education.

~~**1A.70.** (SDE-EIA: Statewide Assessment Procurement) With the funds appropriated and carried forward for assessment, the Department of Education, in consultation with the State Board of Education and the Education Oversight Committee pursuant to Section 59-18-320 of the 1976 Code, is directed to issue a procurement for a statewide assessment to students in grades 3 through 8 in English/language arts and mathematics that meet the requirements of the Education Accountability Act as amended by Act 200 of 2014. The assessment must be a rigorous, achievement assessment that measures student mastery of the SC College and Career Ready Standards, that provides timely reporting of results to educators, parents, and students, and that measures each student's progress toward college and career readiness.~~

~~In addition, the Department of Education, in consultation with the State Board of Education and the Education Oversight Committee pursuant to Section 59-18-320, is directed to issue a procurement for a statewide assessment of students in grade 11 that meets the requirements of the Education Accountability Act as amended by Act 155 of 2014. The procured assessments are to be administered in school year 2015-16.~~

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1A.71 **AMEND** (CDEPP Unexpended Funds) Provides for the retention and expenditure of prior year CDEPP funds by First Steps and requires a report to the Chairmen of the Senate Finance and House Ways and Means Committees on how the funds were spent.

SUBCOMMITTEE RECOMMENDATION: AMEND proviso to update fiscal and calendar year references to “2016-17” and “2017;” permit rather than direct First Steps to retain the first \$2,000,000 of unexpended prior year CDEPP funds; direct that if by August 15th eligible school districts opt to not to participate in the program, the department is authorized to use those unexpended funds to increase participation on a per pupil basis for eligible districts with a documented waiting list; and require the per pupil allocation conform with the amounts appropriated. Delete the requirement that First Steps allocate \$4,250,000 for full-day 4K to SDE and \$2,000,000 for Community Block Grants for Education Pilot Program to the EOC from any unexpended prior year CDEPP funds transferred to the restricted account for those purposes; and that remaining funds be transferred to SDE for full day 4K. *Allows First Steps to use up to \$2,000,000 of any carry forward during the fiscal year for the same purpose and allow carry forward funds to remain in the program for that purpose. The specified allocations have been distributed and that portion of the proviso is no longer needed.* Fiscal Impact: No impact on the general fund since these are carry forward funds only. Requested by First Steps to School Readiness. *Note: Companion proviso 1.79 in General Education Section.*

1A.71. (SDE-EIA: CDEPP Unexpended Funds) For Fiscal Year ~~2015-16~~ 2016-17, the Office of First Steps to School Readiness is ~~directed~~ permitted to retain the first \$2,000,000 of any unexpended CDEPP funds ~~from~~ of the prior fiscal year and expend these funds to enhance the quality of the full-day 4K program in private centers and provide professional development opportunities. *If by August 15th, school districts eligible to receive full-day 4K funding opt to not participate in the program, the Department of Education is authorized to utilize unexpended funds to increase participation on a per pupil basis for districts eligible for participation who have a documented waiting list. The per pupil allocation must conform with the appropriated amount contained in this Act.* No later than April 1, ~~2016~~ 2017, the Office of First Steps must report to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee on the expenditure of these funds to include the following information: the amount of money used and specific steps and measures taken to enhance the quality of the 4K program and the amount of money used for professional development as well as the types of professional development offered and the number of participants.

~~By August 1, the Office of First Steps is directed to allocate any unexpended CDEPP funds from the prior fiscal year and any CDEPP funds carried forward from prior fiscal years that were transferred to the restricted account for the purposes:~~

- ~~1. Department of Education — \$4,250,000 for full day 4K; and~~
- ~~2. Education Oversight Committee — \$2,000,000 for the South Carolina Community Block Grants for Education Pilot Program.~~

~~If carry forward funds are less than the amounts appropriated, funding for the items listed herein shall be reduced on a pro rata basis.~~

~~If any funds are remaining, they shall be transferred to the Department of Education to be expended only on full day 4K.~~

1A.ccr **ADD** (College and Career Readiness) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to require the department to use District College and Career Readiness Assistance funds to increase the capacity of the original trial and plaintiff school districts in the Abbeville law suit. Direct that the funds be used to provide assistance using educators with demonstrated effectiveness in instructional leadership and direct that support include specific resources to

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ensure that educators are equipped with tools to provide students with high quality, personalized learning that supports the Profile of the South Carolina Graduate.

1A.ccr. (SDE-EIA: College and Career Readiness) Funds appropriated to the Department of Education for District College and Career Readiness Assistance must first be used to increase the capacity of districts that are or were the original trial and plaintiff school districts in the Abbeville law suit. Funds shall be used by the department to provide assistance to districts using appropriately experienced educators with demonstrated effectiveness in instructional leadership. Support shall include professional development, standards and learning support, instructional support, data analysis and leadership development resources to ensure that educators are equipped with the tools to provide students with high quality, personalized learning that supports the Profile of the South Carolina Graduate.

1A.icc ADD (Industry Certifications/Credentials) SUBCOMMITTEE RECOMMENDATION: ADD new proviso to direct that Industry Certification/Credentials funds be allocated to school districts based on the number of national industry exams administered in the prior school year. Direct the department to work with the Departments of Commerce and Employment and Workforce, state and local chambers of commerce and economic development offices, and the Tech board to ensure students are aware of industry required credentials for current job availability. *Currently the state does not provide funding to assist with the cost for current industry certificates and credentials for students.* Fiscal Impact: \$5,000,000 EIA funds requested for this purpose. Requested by Department of Education.

1A.icc. (SDE-EIA: Industry Certifications/Credentials) The funds appropriated for Industry Certifications/Credentials must be allocated to school districts based upon the number of national industry exams administered in the prior school year. The department will identify the national industry exams that will be funded based upon the job availability in the state. School districts may carry forward funds from the prior fiscal year into the current fiscal year and expend the funds for the cost of national industry exams. The department shall work with the Department of Commerce, the Department of Employment and Workforce, state and local chambers of commerce and economic development offices and the Tech Board to ensure that students are aware of the industry required credentials for current job availability in the state organized by region.

1A.ctef ADD (Vocational Equipment Funding) SUBCOMMITTEE RECOMMENDATION: ADD new proviso to allow Modernize Career and Technical Equipment funds to be distributed to school districts and multi-district career centers, at not less than \$50,000 each, to purchase career and technical equipment, to up-fit facilities, and to purchase consumables . Require the district plan submitted to the Office of Career and Technology Education contain information on other available career and technical equipment, including equipment located at the career center and the technical college; and include information on the alignment of equipment to current industry jobs and needs. Require district plans include charter schools offering at least two career and technical education completer programs. Authorize school districts and career centers to carry forward these funds for the same purpose. *To align current vocational equipment needs with industry needs and employment trends and to further delineate what expenditures are permitted.* Replaces proviso 1A.37. Fiscal Impact: None. Requested by Department of Education.

1A.ctef. (SDE-EIA: Career and Technical Equipment Funding) Funds appropriated for Modernize Career and Technical Equipment will be distributed to school districts and multi-district career centers based on the prior year actual student enrollment for career and

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technology education courses, with no district or multi-district career center receiving less than \$50,000. Funds may be expended for the purchase of career and technical equipment, the up fitting of facilities and the purchase of consumables. Each district must include in the district plan submitted to the Office of Career and Technology Education information on other career and technical equipment available. The district must include, at a minimum, equipment located at the career center and at the technical college, information on the alignment of equipment to current industry jobs and needs in the state as recommended by career and technical program advisory committees. District plans must include charter schools within the school district offering at least two career and technical education completer programs. School districts and career centers may carry forward unexpended funds to be used for the same intended purposes to up fit career and technical facilities and replace career and technical program consumables.

SECTION 5 - H710 - WIL LOU GRAY OPPORTUNITY SCHOOL

5.9 DELETE (Capacity) Directs that FY 2015-16 funds be used to bring the school up to full capacity, to the extent possible and to report by December 1st on how the funds have been used and how many additional students have been served.

SUBCOMMITTEE RECOMMENDATION: DELETE proviso.

~~5.9. (WLG: Capacity) For Fiscal Year 2015-16, funds appropriated to Wil Lou Gray Opportunity School must be used to bring the school up to full capacity, to the extent possible, and the school must report electronically to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee by December first, on how the funds have been utilized and how many additional students have been served.~~

SECTION 6 - H750 - SCHOOL FOR THE DEAF AND THE BLIND

6.13 DELETE (Capacity) Directs that FY 2015-16 funds be used to bring the school up to full capacity, to the extent possible and to report by December 1st on how the funds have been used and how many additional students have been served.

SUBCOMMITTEE RECOMMENDATION: DELETE proviso.

~~6.13. (SDB: Capacity) For Fiscal Year 2015-16, funds appropriated to the School for the Deaf and the Blind must be used to bring the school up to full capacity, to the extent possible, and the school must report electronically to the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee by December first, on how the funds have been utilized and how many additional students have been served.~~

6.ecc ADD (Early Childhood Center) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to authorize the school to transfer \$500,000 appropriated for the Thackston Hall Roof Replacement project in the prior appropriation act to the Early Childhood Center Construction project. *The school states that because the Thackston facility is in constant need of repair and will eventually need to be demolished, a new roof is not the best use of state dollars. The school would rather put the funds to use for Capital Project No. 9547, Early Childhood Center Construction to house the Deaf Elementary School.* Fiscal Impact: No impact on the General Fund. Requested by School for the Deaf and the Blind.

6.ecc. (SDB: Early Childhood Center) The School for the Deaf and the Blind shall be authorized to redirect and transfer the \$500,000 appropriated for the Thackston Hall Roof

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Replacement in Act 91 of 2015 by proviso 118.14(B)(5)(a) to the Early Childhood Center Construction project.

SECTION 8 - H67-EDUCATIONAL TELEVISION COMMISSION

8.2 **AMEND** (Spectrum Auction) Authorizes ETV to enter the FCC TV Spectrum Auction and to receive and retain any proceeds for the development of a capital reserve declining balance fund. Directs that up to \$40,000,000 of the proceeds be used to fund ETV critical capital needs and requires that proceeds received above \$40,000,000 be placed into a segregated account that will require General Assembly approval prior to expenditure. Authorize unexpended funds to be carried forward and used for the same purpose. Direct ETV to report to the Governor and the Chairmen of the Senate Finance and House Ways and Means Committees on their intent to enter the auction; auction dates; estimated potential revenue; and actual revenue received from the auction.

SUBCOMMITTEE RECOMMENDATION: AMEND proviso to delete “opt in” language and direct that the report on the auction is subject to the FCC requirements for a specified quiet period.

8.2. (ETV: Spectrum Auction) ~~During the current fiscal year, if~~ *If* the Educational Television Commission ~~opts to enter the Federal Communications Commission TV Spectrum Auction and subsequently~~ receives any proceeds from the ~~auction~~ *Federal Communication Commission TV Auction*, the commission is authorized to receive and retain the proceeds for the development of a capital reserve declining balance fund. Up to \$40,000,000 of the proceeds shall be used to fund several critical capital needs at ETV, including an expected broadcast industry standards change. Proceeds shall also be deployed for existing equipment repair, maintenance and replacement needs and operational costs. Any proceeds received above \$40,000,000 must be placed into a segregated account and shall require General Assembly approval prior to the expenditure of these funds. Unexpended funds shall be carried forward from the prior fiscal year into the current fiscal year and used for the same purpose. ~~The~~ *Subject to the FCC requirements for a specified quiet period, the* commission shall report to the Governor, the Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee on the intent to enter the auction; dates of the auction; potential revenue estimates; and actual received revenue.

SECTION 93 - D500 - DEPARTMENT OF ADMINISTRATION

93.16 **CONFORM TO FUNDING / AMEND** (Wireless Communications Tower) Directs the Department of Administration to coordinate tower and antenna operations, approve all leases regarding antenna placement on state-owned property, coordinate new tower construction on state owned property, market excess capacity, generate revenue by leasing or selling excess capacity, and construct new facilities pm state owned property related to communications. Directs the revenue from the leases to be transferred to ETV which shall retain and carry forward revenue to support statewide public safety communications system. Directs DOA to report to the Senate Finance and House Ways and Means Committees annually on revenue collections and disbursements.

SUBCOMMITTEE RECOMMENDATION: **CONFORM TO FUNDING RECOMMENDATION / AMEND** proviso to direct that the ETV Commission rather than DOA shall coordinate tower and antenna operations within state government.

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93.16. (DOA: Wireless Communications Tower) ~~The Department of Administration Educational Television Commission~~ is directed to coordinate tower and antenna operations within South Carolina state government. ~~The department commission~~ shall (1) approve all leases regarding antenna placement on state-owned towers and buildings, (2) coordinate all new tower construction on state-owned property, (3) promote and market excess capacity on the State's wireless communications infrastructure, (4) generate revenue by leasing, licensing, or selling excess capacity on the State's wireless communications infrastructure, and (5) construct new communications assets on appropriate state-owned property for the purpose of generating revenue pursuant to this proviso. ~~All revenue from tower and antenna leases and contracts after July 1, 2001 must be remitted to a separate fund established by the department and shall be transferred to the Educational Television Commission which~~ *The commission* shall retain and expend such funds for agency operations. The commission shall be authorized to carry forward unexpended funds from the prior fiscal year into the current fiscal year. ~~Agencies owning tower and antenna assets will be allowed to recover expenses associated with implementing this proviso from this fund.~~ The ~~department commission~~ shall annually report to the Chairmen of the Senate Finance and House Ways and Means Committees by October first of each year all revenue collected and disbursed. ~~This report shall also include a summary of each agency's overall revenues, whether retained by the agency or remitted to the separate fund.~~

SECTION 98 - E160 - OFFICE OF STATE TREASURER

98.14 DELETE (Early Literacy Partnership) Provides for the transfer of all funds in Subfund 4019 Governor's Teaching School Loan Program to Save the Children for the statewide partnership with local public schools to serve children who are age 3-12 in areas of persistent rural poverty through early childhood literacy development. Requires measured success of the partnerships be provided to the General Assembly by June 30th. Authorizes the transferred funds to be carried forward.

SUBCOMMITTEE RECOMMENDATION: DELETE proviso.

~~**98.14.** (TREAS: Early Literacy Partnership) The State Treasurer's Office is directed to transfer all the funds from Subfund 4019 Governor's Teaching School Loan Program to Save the Children for the statewide partnership with local public schools to serve children ages 3-12 in areas of persistent rural poverty through early childhood literacy development. Services, directly or indirectly, are intended to support each school's efforts in supporting pre-kindergarten and kindergarten readiness, accelerating the literacy achievement of children currently reading below grade level and in increasing reading proficiency of struggling readers to ensure all children have the literacy skills they need to succeed. Measured success of the partnerships must be provided to the General Assembly no later than June thirtieth of the current fiscal year. Funds transferred to Save the Children may be carried forward.~~

SECTION 117 - X900 - GENERAL PROVISIONS

117.65 AMEND (Healthcare Employee Recruitment and Retention) Provides guidelines for DOC, DDSN, DHEC, DHHS, DJJ, DMH, and Voc Rehab to spend state, federal, and other sources of revenue to provide lump sum bonuses to aid in recruiting and retaining healthcare workers in critical needs healthcare jobs based on objective guidelines established by the Department of Administration. Provides guidelines for paid educational leave for employees, for repaying outstanding student loans, and for tuition reimbursement.

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SUBCOMMITTEE RECOMMENDATION: AMEND proviso to add Wil Lou Gray Opportunity School.

117.65. (GP: Healthcare Employee Recruitment and Retention) The Department of Corrections, Department of Disabilities and Special Needs, Department of Health and Environmental Control, Department of Health and Human Services, Department of Juvenile Justice, Department of Mental Health, ~~and~~ Department of Vocational Rehabilitation, *and Wil Lou Gray Opportunity School* are allowed to spend state, federal, and other sources of revenue to provide lump sum bonuses to aid in recruiting and retaining healthcare workers in critical needs healthcare jobs based on objective guidelines established by the Department of Administration. The employee bonus amount shall be approved by the State Human Resources Director and shall not exceed \$10,000 per year. Payment of these bonuses is not a part of the employee's base salary and is not earnable compensation for purposes of employee and employer contributions to respective retirement systems.

These agencies may also provide paid educational leave for any employees in an FTE position to attend class while enrolled in healthcare degree programs that are related to the agency's mission. All such leave is at the agency head's discretion.

These agencies may enter into an agreement with Psychiatrists, Psychologists, and Nurses employed in those positions to repay them for their outstanding student loans associated with completion of a healthcare degree. The employee must be employed in a critical needs area, which would be identified at the agency head's discretion. Critical needs areas could include rural areas, areas with high turnover, or where the agency has experienced recruiting difficulties. Agencies may pay these employees up to twenty percent or \$7,500, whichever is less, of their outstanding student loan each year over a five-year period. Payments will be made directly to the employee at the end of each year of employment. The agency will be responsible for verifying the principle balance of the employee's student loan prior to issuing payments.

Employees of these agencies working on a practicum or required clinical experience towards completion of a healthcare degree may be allowed to complete these requirements at their state agency or another state agency at the discretion of the agency head. This field placement at another state agency may be considered work time for participating employees.

These agencies are also authorized to allow tuition reimbursement from a maximum of ten credit hours per semester; allow probationary employees to participate in tuition programs; and provide tuition prepayment instead of tuition reimbursement for employees willing to pursue a degree in a healthcare program. An agency may pay up to fifty percent of an employee's tuition through tuition prepayment. The remaining tuition could be reimbursed to the employee after successful completion of the class.

117.89 **AMEND** (Funds Transfer to ETV) Requires funds appropriated to the DOA for Legislative & Public Affairs Coverage and Emergency Communications Backbone and to the Law Enforcement Training Council for City and Council municipal training to be transferred to ETV during July of 2015 for them to continue to provide services as they were provided in the prior fiscal year.

SUBCOMMITTEE RECOMMENDATION: AMEND proviso to update "2015" to "2016." Requested by Educational Television Commission.

117.89. (GP: Funds Transfer to ETV) In the current fiscal year funds appropriated in Part IA to the Department of Administration Section 93 for Legislative and Public Affairs Coverage and Emergency Communications Backbone and to the Law Enforcement Training Council in Section 64 for State and Local Training of Law Enforcement, City and County municipal training

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services must be transferred to the Educational Television Commission (ETV) during July ~~2015~~ 2016 for the continuation of services as provided in the prior fiscal year.

117.115 AMEND (SCOIS Transfer) Transfers the S.C. Occupational Information System, its authority, responsibilities, FTE's and funding from DEW to SDE and directs DOA and the Comptroller General to facilitate and coordinate the transfer.

SUBCOMMITTEE RECOMMENDATION: AMEND proviso to direct that for Fiscal Year to 2016-17 the duties and responsibilities of SCOIS shall continue to be transferred from DEW to SDE and delete the requirement that DOA and the CG facilitate and coordinate the transfer.

117.115. (GP: SCOIS Transfer) For Fiscal Year ~~2015-16~~ 2016-17, the South Carolina Occupational Information System, its authority, and responsibilities, ~~FTE's and funding~~ shall continue to be transferred from the Department of Employment and Workforce to the Department of Education. ~~The Department of Administration and the Office of the Comptroller General shall facilitate and coordinate this transfer.~~

117.fsr ADD (First Steps Reauthorization) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to reauthorize First Steps for Fiscal Year 2016-17.

117.fsr. (GP: First Steps Reauthorization) Act 99 of 1999, the South Carolina First Steps to School Readiness Act, is reauthorized for the duration of Fiscal Year 2016-17.

117.rlf ADD (Revolving Loan Fund) **SUBCOMMITTEE RECOMMENDATION:** ADD new proviso to direct the State Treasurer to issue a RFP by July 15, 2016, for a S.C. non-profit corporation to manage the Charter School Facility Revolving Loan Program application and review process established in Section 59-40-175 [FACILITY REVOLVING LOAN PROGRAM]. Direct that funds be made available to applicants each year by October 1st so that facility plans may proceed for the following school year.

117.rlf. (GP: Revolving Loan Fund) By July 15, 2016, the State Treasurer shall issue a request for proposal for a South Carolina non-profit corporation to manage the application and review process of the Charter School Facility Revolving Loan Program established in Section 59-40-175, of the 1976 Code. Funds shall be made available to approved applicants no later than October 1 each year so that facility plans may proceed for the following school year.